



# High Falls

ADVISORS

**ADV PART 2  
FIRM BROCHURE**

**MARCH 31, 2022**

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## **FIRM BROCHURE**

### **HIGH FALLS ADVISORS, INC.**

**180 South Clinton Avenue, Suite 300**

**Rochester, NY 14604**

**585-935-5300**

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

March 31, 2022

**This Brochure provides information about the qualifications and business practices of High Falls Advisors, Inc. If you have any questions about the contents of this Brochure, please contact Jennifer E. Vogler, Chief Compliance Officer at 585-935-5308. 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.**

High Falls Advisors, Inc. is a registered investment adviser. Being a “registered investment adviser” or describing ourselves as being “registered” does not imply a certain level of training or skill.

**Additional information about High Falls Advisors, Inc. is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).** You can search this site by our firm name or by a unique identifying number known as a CRD number. The CRD number for High Falls Advisors, Inc. is 108678. The SEC’s web site also provides information about any persons affiliated with High Falls Advisors, Inc., who are registered, or are required to be registered, as investment adviser representatives of High Falls Advisors, Inc.

To obtain our Firm Brochure, our Code of Ethics, or our Privacy Policy, please visit our website at [www.highfallsadvisors.com](http://www.highfallsadvisors.com), e-mail us at [info@highfallsadvisors.com](mailto:info@highfallsadvisors.com), telephone us at 585-935-5300, or mail your request to High Falls Advisors, Inc., 180 South Clinton Avenue, Suite 300, Rochester, NY 14604.

This Brochure was last updated on March 31, 2022.

## **Item 2 – Summary of Material Changes**

- (1) **Item 4 – Advisory Business.** This section has been updated to reflect the discontinuance of HFA services and updated information on our existing services and strategies. Our asset under management has also changed to reflect the 12/31/2022 values.
- (2) **Item 5 – Fees and Compensation.** This section has been updated
- (3) **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.** This section has been updated to reflect updated information on our existing strategies, new strategies, and to remove discontinued strategies.
- (4) **Item 13 – Review of Accounts.** This has been updated to reflect updated information on our new and existing strategies and to remove discontinued strategies.
- (5) **ADV Part 2B.** The investment advisor profiles have been edited and updated. (ADV Part 2B of Firm Brochure)

### Item 3 -Table of Contents

Item 1 – Cover Page.....	1
Item 2 – Summary of Material Changes .....	2
Item 3 – Table of Contents.....	3
Item 4 – Advisory Business .....	4
Item 5 – Fees and Compensation .....	6
Item 6 – Performance-Based Fees and Side-By-Side Management .....	8
Item 7 – Types of Clients.....	8
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	8
Item 9 – Disciplinary Information .....	10
Item 10 – Other Financial Industry Activities and Affiliations .....	10
Item 11 – Code of Ethics.....	11
Item 12 – Brokerage Practices .....	12
Item 13 – Review of Accounts .....	12
Item 14 – Client Referrals and Other Compensation.....	13
Item 15 – Custody .....	14
Item 16 – Investment Discretion.....	14
Item 17 – Voting Client Securities.....	14
Item 18 – Financial Information .....	15
ADV Part 2B.....	16

#### Item 4 – Advisory Business

High Falls Advisors, Inc., (“HFA” throughout this brochure) is a New York State corporation, and is registered with the United States Securities and Exchange Commission (SEC) as an investment advisor under the Investment Advisors Act of 1940. The firm’s office is located in Rochester, New York. The firm is owned equally by Kenneth Burke, the firm’s President and CEO, and Jennifer Vogler, the firm’s Vice President and Chief Compliance Office.

Background: High Falls Advisors, LLC was formed in 2008 as a successor to James H. McBride, R.I.A. (Formed in 1986). On December 31, 2012, James McBride and James Englert changed the corporate structure from an LLC to a corporation. James McBride retired as President and CEO as of December 31, 2016. James Englert was the owner, President and CEO of the firm from January 1, 2017 through January 1, 2020 when ownership was transferred to Kenneth Burke and Jennifer Vogler.

**Assets under management**--As of December 31, 2021, HFA assets under management were \$ 534,109,903 which is broken down as follows:

	<u><b>U.S. Dollar Amount</b></u>
<b>Discretionary Accounts:</b>	\$ 534,109,903

HFA offers the following services:

- **Portfolio Management**—HFA provides ongoing management of client investment portfolios. The portfolios are managed on a discretionary basis based on the investment objectives and risk profile/tolerance of the client. The portfolios may include investments such as individual securities, mutual funds, Exchange Traded Funds (ETFs), index funds, municipal securities, and government securities.
  - **Sector Rotation MTA**—The Sector Rotation MTA strategy has been discontinued.
  - **Core Market Index Portfolio (CMIP)**—The portfolios in this strategy are comprised primarily of Exchange Traded Funds (“ETFs”) and some mutual funds, many of which are in the BlackRock family of funds. Our Investment Committee designs the portfolios using BlackRock models. The allocation of funds is based on the investment objectives and risk profile/tolerance of the client. This portfolio is actively managed with a focus on risk mitigation. Portfolios are rebalanced at least quarterly.

- **Core Market Index Portfolio Tax Aware--** The portfolios in this strategy are comprised primarily of Exchange Traded Funds (“ETFs”) and some mutual funds, many of which are in the BlackRock family of funds. Our Investment Committee designs the portfolios using BlackRock models. The allocation of funds is based on the investment objectives and risk profile/tolerance of the client. This portfolio is actively managed with a focus on tax efficiency and risk mitigation. Portfolios are rebalanced at least annually, but less frequently than quarterly, to achieve the tax efficiency.
- **Enhanced Allocation Strategy (EAS)—**The portfolios in this strategy are comprised of actively managed mutual funds comprised primarily from the American Fund family of funds. Specific portfolios are selected using an objectives-based process with investor goals and risk profile determining the proper objective. The portfolios are rebalanced at least quarterly.
- **Personal Asset Management Accounts—**The portfolios in this service are custom-designed with emphasis on individual securities. The portfolio selection is based on the investment objectives and risk profile/tolerance of the client and is designed for long-term investing.
- **Retirement Income Management Strategy—**The retirement income portfolios use a combination of portfolios to achieve reduced volatility for client’s near-term retirement spending needs. The strategy uses multi-asset income portfolios for near-term cash-flow in combination with our other investment strategies for the longer-term cash needs. The target allocation of assets in each portfolio is dependent on the client’s immediate retirement income needs.
- **Retirement benefit counseling—**HFA provides consultation on specific retirement decisions, including social security and health care, and review of retirement packages.
- **Financial planning services—**Through meetings in which goals and objectives are established, HFA provides a customized financial plan for clients. This may be in addition to managing their investment portfolio. Working with the client, we provide guidance on establishing clearly defined objectives and specific strategies for achieving these goals. Such analysis may include current investments, debts, future retirement income, Social Security, pension and retirement income strategies, risk management and insurance coverage, estate planning, tax planning, and cash flow management. HFA will tailor the plan to the client’s individual needs.
- **Business Planning—**HFA may provide additional business consulting services for the small business owners we advise. Services may include advice on business planning,

business successions and mergers, insurance needs, tax planning, and coordination of services with attorneys and outside accountants, when applicable.

- **Tax Preparation**—HFA provides individual tax preparation and tax planning as an optional service to its clients

## **Item 5 – Fees and Compensation**

- **Generally**

The specific way fees are charged by HFA is established in the client's written advisory agreement with HFA. HFA will generally bill its fees on a quarterly basis. Clients are billed in arrears. Clients may elect to be billed directly for fees or to authorize HFA to directly debit fees from their accounts. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account any earned, unpaid fees will be due and payable.

Account fees for accounts terminated before the end of a quarter are calculated as follows: 1.) Determine the average daily balance from the beginning of the quarter to the date of termination. 2.) Take that value and multiply by the annual fee set in the management contract. 3.) Divide that amount by 4 to determine the quarterly fee. 4.) Divide the quarterly fee by the number of days in the quarter to determine the daily rate. 5.) Multiply the daily rate by the number of days actually managed in the quarter to determine the pro-rated fee.

Account fees for accounts initiated after the start of the quarter are calculated as follows: 1.) Determine the average daily balance from the date account is initiated to the end of the quarter. 2.) Take that value and multiply by the annual fee set in the management contract. 3.) Divide that amount by 4 to determine the quarterly fee. 4.) Divide the quarterly fee by the number of days in the quarter to determine the daily rate. 5.) Multiply the daily rate by the number of days actually managed in the quarter to determine the pro-rated fee.

Some investment advisor representatives of High Falls Advisors are dually registered representatives of Leigh Baldwin & Co., LLC. Leigh Baldwin & Co., LLC (LB) is a Broker-Dealer and Member FINRA/SIPC. LB and HFA are independently owned and operated. As a registered representative, an HFA Investment Advisor may also receive a brokerage commission.

HFA's management fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur

certain charges imposed by custodians and/or brokers, as specified in the custodian/broker agreement. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to HFA's fee.

- **Portfolio Management**

The annual fee for Investment Services is charged as a percentage of client assets under management, billed quarterly in arrears.

The basic fee schedule is as follows:

Assets under Management (AUM)	Annual Fee
\$ 0 to \$ 750,000	1.00%
\$ 750,001 to \$1,500,000	0.75%
Over \$1,500,000	0.50%

Although High Falls Advisors, Inc. has established the above fee schedule, we retain the discretion to negotiate alternative fees on a client-by client basis. A minimum quarterly management fee of \$ 750 applies.

Some existing clients fall outside our basic fee schedule, based on prior negotiated arrangements.

The fee is specified in the client's advisory agreement. Fees are computed on the average daily balance for the quarter. Fees are prorated for clients not in the service the entire quarter. Annual fees are divided by four and charged quarterly.

In some cases, clients are billed on an agreed retainer/flat fee for portfolio management. Such arrangement would be set forth in the advisory agreement.

Multiple accounts in one household can be combined for breakpoint discounts.

- **Fees for Retirement Benefit Counseling Services**

Fees are charged up to \$ 300.00 per hour. Clients are invoiced and payment is expected upon completion of work.

- **Fees for Financial Planning Services**

A flat fee or an hourly fee is quoted based on complexity of the case. Clients are invoiced and payment is expected upon completion of work.

- **Fees for Tax Preparation**

Preparation fees are based on the time and complexity of the return. Clients are invoiced and payment is expected upon completion of the tax return.

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

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

#### **Item 7 – Types of Clients**

HFA provides management services to individuals, high net worth individuals, small businesses, charitable organizations and trusts. Most HFA clients are individual investors.

HFA sets a minimum account size of \$ 100,000.00 for most Portfolio Management Services, although there may be exceptions which are evaluated on a case-by-case basis.

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

- **Generally**

HFA utilizes different types of investment analysis and strategy depending on the client's specific requirements. All clients answer questions using our Riskalyze tool to determine the appropriate investment objective or complete the risk tolerance questions provided in our eMoney® software. The client and advisor select the appropriate allocation based on the client's tolerance for risk, timeframe for use of assets and personal objectives.

- **Personal Asset Management Accounts**

For these portfolios, the portfolio manager uses a variety of 3<sup>rd</sup> party sources including Value Line, Fidelity and the Morningstar stock and mutual fund rating service to select the assets in the portfolio. In addition, the portfolio manager will also use fundamental research obtained from various financial sources such as newspapers and magazines, corporate publications (e.g., annual and quarterly reports and news releases) and electronic investment news services to supplement the asset selection process. A traditional “bottoms up” approach is used to select those assets currently deemed appropriate for each of the asset allocation categories.

- **Enhanced Allocation Strategy (EAS)**

This strategy uses American Fund Model portfolios. The portfolio is based on American Funds Objective-based models and is comprised of mutual funds, mostly from the

American Fund family of funds. The HFA Investment Committee monitor the portfolios through American Fund's investment commentary, quarterly trade notices, and other periodic communications. The portfolios are actively managed and rebalanced with a focus on continued strength of underlying funds, continued flexibility of underlying funds, and the alignment of the equity and fixed income investments with the objective of the portfolio.

- **Core Market Index Portfolio**

This strategy uses the BlackRock model portfolios. The portfolio selection is based on BlackRock models and is comprised of ETFs and mutual funds, mostly from the BlackRock family of funds. The HFA Investment Committee monitor the portfolios through BlackRock's weekly investment commentary, quarterly trade notices, and other periodic communications. The portfolios are actively managed and rebalanced with a focus on identifying risks and opportunities. Tax aware portfolios are also rebalanced with a focus on tax efficiency.

- **Retirement Income Management Strategy**

This strategy uses multiple portfolio options for clients in retirement who are trying to minimize volatility for their immediate cash-flow needs in retirement. Multi-asset income model portfolios are used for the client's more immediate cash flow. Longer-term dollars are invested in one of our other portfolios based on the client's risk profile. The HFA Investment Committee monitor the multi-asset income models to ensure they continue to meet the fixed income objectives of the overall strategy.

- **Risks**

All of HFA clients are told that the risks of investing in securities involves the risk of loss of asset value and that they need to be prepared to accept potential loss in exchange for a better return.

HFA's Investment Committee determines the risk-reward scenarios for each asset type used in the portfolios. All changes to the portfolios are presented and voted on by HFA's Investment Committee.

Mutual funds carry some risk including market risk (including the possible loss of principal), interest rate risk, credit risk, style risk and securities selection risk. The degree of risk varies based on the type of mutual fund. Mutual funds may also have direct costs

(e.g., transaction fees, sales charges, and other operating costs) associated with their sales and operation that will have an impact on investment returns.

Exchange Traded Funds (ETFs) are subject to market risk, including the possible loss of principal. The value of the ETFs will fluctuate with the value of the underlying securities. ETFs may trade for less than their net asset value. ETFs may have underlying strategy risks similar to investing in commodities, bonds, real estate, international markets or currencies, emerging growth companies, or specific sectors.

The risk of loss in trading commodities and futures can be substantial. Bonds carry interest rate risk. Real estate investing carries the risk of declining property values due to, among others, environmental, economic and interest rate factors. International investing carries risk of currency fluctuations and political and economic events. Sector based investments typically exhibit greater volatility.

Individual securities involve the risk of loss from poor performance by individual companies and can be more volatile than the use of funds. HFA uses research sources such as Value Line and Morningstar and analysts' consensus data.

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

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

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

Some Advisors with HFA are also registered representatives of Leigh Baldwin & Co., LLC, a Broker Dealer registered with Financial Industry Regulatory Authority (FINRA). Some Advisors are also insurance agents or brokers. In cases where the advisor is acting as a registered representative (broker), the registered representative and Leigh Baldwin & Co., LLC will receive customary compensation (commissions) on the sale of products. This would be compensation separate from management fees or charges.

Advisors with HFA can implement security transactions and/or purchase investment products or insurance for their advisory clients in their capacity as broker-dealer registered representatives and/or insurance brokers or agents. However, clients are not under any obligation to engage Leigh Baldwin & Co., LLC and/or the Advisor in implementing such recommendations. This is at the discretion of the client.

High Falls Advisors, Inc. and Leigh Baldwin & Co., LLC are independently owned and operated entities.

## **Item 11 – Code of Ethics**

HFA has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. A supervised person of the firm includes HFA employees, members, officers, directors, and any other individual who is under the supervision and control of HFA.

The Code of Ethics includes provisions relating to the confidentiality of client information, prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at HFA must acknowledge the terms of the Code of Ethics annually, or as amended.

HFA and its employees and advisors are committed to:

- conducting every aspect of the business in a fair, lawful and ethical manner;
- creating and ensuring a culture of compliance through education, training, awareness and supervision and compliance with all laws and regulations governing the financial industry;
- acting solely in the best interest of our clients by ensuring that investment advice is reasonable, independent and suitable for an individual's objectives, needs and circumstances;
- protecting the privacy of all of our clients; and
- avoiding actual or apparent conflicts of interest.

HFA is subject to the following specific fiduciary obligations when dealing with clients:

- the duty to have a reasonable, independent basis for the investment advice provided;
- the duty to obtain best execution for a client's transactions where HFA is able to direct brokerage transactions for the client;
- the duty to ensure that investment advice is suitable to meeting the client's individual objectives, needs and circumstances; and
- A duty to be loyal to clients.

HFA has the following policies designed to prohibit insider trading and to monitor the personal securities transactions of its supervised persons:

- No supervised person may trade, either personally or on behalf of others while in the possession of material, nonpublic information, nor may any personnel of HFA communicate material, nonpublic information to others in violation of the law.
- The interests of client accounts will always be placed first.
- All personal securities transactions will be conducted in such manner as to avoid

any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility.

- Supervised persons must not take inappropriate advantage of their positions.
- Every access person/supervised person shall provide initial and annual holdings reports and quarterly transaction reports to HFA's Compliance Department. Such reports will cover transactions in a reportable security in which an access or supervised person has a beneficial interest or in accounts over which the access or supervised person exercises control as well as transactions by members of the supervised person's immediate family.
- HFA discourages supervised persons from investing in IPOs or limited offerings and such investments must be pre-approved by HFA's Compliance Department.

HFA's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting High Falls Advisors at 585-935-5300.

### **Item 12 – Brokerage Practices**

HFA utilizes the services of Leigh Baldwin & Co., LLC as our Broker Dealer and Fidelity Clearing and Custody Solutions, a division of Fidelity Investments, as our Custodian. These companies provide HFA with access to institutional trading and custody services, which services are typically not available to retail investors.

Many clients request that their HFA investment advisor representative also act as their broker-dealer representative so that they may assist them in managing their brokerage relationships and are available to resolve any problems that may occur.

Clients can direct HFA to utilize their desired brokers. However, if such other brokers are utilized, HFA has no control over the client's trade execution or any other brokerage issues. This is disclosed to the client.

If it is requested that HFA act as broker-dealer representative, we disclose to the client the following items relevant to our broker-dealer:

- Commission rates;
- Other costs and charges;
- Speed and reliability of execution

### **Item 13 – Review of Accounts**

- **Personal Asset Management Accounts**

Accounts in these portfolios are reviewed quarterly to measure the results versus portfolio objectives.

Clients in these accounts have electronic access to their quarterly statements with the option of these statements being provided via mail. Reviews are performed by the advisor assigned to the account. Reports are made by phone, via e-mail, or at personal meetings.

- **Enhanced Allocation Strategy**

Accounts in these portfolios are monitored and reviewed at least quarterly by the Investment Committee and may be rebalanced periodically throughout the year.

Clients in these accounts have electronic access to their quarterly statements with the option of these statements being provided via mail. Reviews with clients are performed by the advisor assigned to the account and can be made via phone, e-mail or at personal meetings.

- **Core Market Index Portfolio**

Accounts in these portfolios are monitored and reviewed at least quarterly by the Investment Committee and may be rebalanced as determined by the guidance received from BlackRock's quarterly and intra-quarter trade notices.

Clients in these accounts have electronic access to their quarterly statements with the option of these statements being provided via mail. Reviews with clients are performed by the advisor assigned to the account and can be made via phone, e-mail or at personal meetings.

- **Retirement Income Management Strategy Accounts**

Accounts in these portfolios are monitored and reviewed at least quarterly by the investment committee. These accounts require active participation with the client and assigned advisor to ensure cash-flow needs are accurately represented.

Clients in these accounts have electronic access to their quarterly statements with the option of these statements being provided via mail. Reviews with clients are performed by the advisor assigned to the account and can be made via phone, e-mail or at personal meetings.

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

HFA does not receive compensation for client referrals.

**Item 15 – Custody**

HFA does not act as custodian of client assets. HFA uses Fidelity Clearing and Custody Solutions (National Financial Services, LLC (“NFS”)) as custodian for the Portfolio Management Services.

Clients should receive at least quarterly statements from the broker dealer, bank or qualified custodian that holds and maintains client’s investment assets. HFA urges its clients to carefully review such statements and compare the official custodial records to the account reports that we may provide to clients. HFA reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

In a small number of accounts, HFA advisors act as Power of Attorney or Trustee. In such cases, HFA policy requires that an entity or individual (i.e., family member, accountant, or attorney), independent of HFA, receives account statements and monitors the activity in such accounts. In addition, these accounts are also subject to a surprise annual audit performed by a qualified accounting firm. The results of this audit are reported annually to the SEC.

HFA also pays out quarterly federal and state estimated tax payments for a small number of clients through a signed letter of instruction indicating checks are to be drawn from their account, payable to the taxing authority and then sent to our office for mailing. We have included those accounts in our annual custody audit.

**Item 16 – Investment Discretion**

HFA receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities or funds to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

HFA does not assume this authority until we receive a written authorization in the client advisory agreement.

When selecting securities and determining amounts, HFA observes the investment policies, limitations and restrictions provided by the client.

**Item 17 – Voting Client Securities**

As a matter of firm policy and practice, HFA does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. HFA does not provide advice to clients regarding the clients’ voting of proxies.

## Item 18 – Financial Information

HFA, as a registered investment advisor, is required to provide you with certain financial information or disclosures about HFA's financial condition. HFA has no financial commitment that impairs the firm's ability to meet contractual and fiduciary commitments to clients.

On April 22, 2020, HFA received a small business loan pursuant to the Paycheck Protection Program ("PPP Loan") which was implemented under the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The Paycheck Protection Program is a loan designed to provide an incentive for small businesses to keep their employees on payroll considering the economic impact of COVID-19. HFA determined that it met the requirements to participate in the program and has used the loan proceeds to support payroll for all staff, including our financial advisors who perform advisory functions. HFA also used the proceeds to pay for rent and other approved costs. **The loan was fully forgiven at the end of 2020.**

HFA does not require or solicit the prepayment of more than \$ 1200 in fees six months or more in advance of service rendered.

HFA has not been the subject of a bankruptcy proceeding.

## FORM ADV PART 2B BROCHURE SUPPLEMENTS

This ADV Part 2B supplement provides information about HFA advisors. This is a supplement to High Falls Advisor, Inc.'s Brochure. You should have received a copy of that Brochure. Please contact High Falls Advisors (585-935-5300), if you did not receive High Falls Advisors, Inc. brochure or if you have any questions about the contents of this supplement.

### PROFESSIONAL CERTIFICATIONS:

Advisors have earned certifications, credentials and designations that are required to be explained.

**CERTIFIED FINANCIAL PLANNER™ (CFP®)** The CERTIFIED FINANCIAL PLANNER™ and federally registered CFP® (with flame design) marks are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. The CFP certification is voluntary. To obtain the CFP designation and to use the CFP marks, an individual must have a bachelor's degree (or higher) from an accredited college or university; complete a course of study approved by the CFP Board; have at least three years of full-time financial planning related experience; pass the comprehensive CFP® certification Examination; agree to be bound by the CFP's Board Standards of Professional Conduct; and complete 30 hours of continuing education every 2 years to maintain the designation.

**ENROLLED AGENT (EA)** An enrolled agent is a person who has earned the privilege of representing taxpayers before the IRS. An individual can become an enrolled agent by demonstrating special competence in tax matters by passing a written examination, applying for enrollment, and completing a background check. Enrolled agents are required to obtain 72 hours of continuing education every 3 years with a minimum of 16 hours earned per year, including 2 hours of Ethics every year.

**CERTIFIED PUBLIC ACCOUNTANT (CPA)** CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. To maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two-year period or 120 hours over a three-year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which

requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services.

**PERSONAL FINANCIAL SPECIALIST (PFS)** The PFS credential demonstrates that an individual has met the minimum education, experience and testing required of a CPA in addition to a minimum level of expertise in personal financial planning. To attain the PFS credential, a candidate must hold an unrevoked CPA license, certificate, or permit, none of which are in inactive status; fulfill 3,000 hours of personal financial planning business experience; complete 75 hours of personal financial planning continuing professional development (CPD) credits; pass either a comprehensive financial planning exam or a series of financial planning certificate exams and be an active member of the AICPA. A PFS credential holder is required to adhere to AICPA's *Code of Professional Conduct* and the *Statement on Standards in Personal Financial Planning Services*, when providing personal financial planning services. To maintain their PFS credential, the recipient must complete 20 hours of financial planning CPD credits every year. The PFS credential is administered through the AICPA.

**CHARTERED RETIREMENT PLANNING COUNSELOR<sup>SM</sup> (CRPC<sup>®</sup>)** Individuals who hold the CRPC<sup>®</sup> designation have completed a course of study encompassing pre- and post-retirement needs, asset management, estate planning and the entire retirement planning process using models and techniques from real client situations. The designation is awarded by the College for Financial Planning. An individual can earn this designation after completing the course of self-study and passing an end-of course examination that tests their ability to synthesize complex concepts and apply theoretical concepts to real-life situations. To maintain the designation, the individual must complete 16 hours of continuing education every 2 years and adhere to the CFP's Board Standards of Professional Conduct.

## **ADVISORS:**

### **JAMES T. ENGLERT, CFP<sup>®</sup>, EA**

**Item 1 – Education and Business Experience.** James T. Englert, CFP<sup>®</sup>, EA was born in 1943. He graduated from the Rochester Institute of Technology with a Bachelor of Science degree in Accounting in 1974.

From 2006 to 2008, James was the owner and principal of the firm Englert Financial Consulting, LLC working as an advisor, financial planner, and tax preparer. During this time, he was an investment advisor representative of High Falls Advisors. In 2008, James formed High Falls Advisors, LLC with James McBride. In December 2012, High Falls Advisors, LLC became High Falls Advisors, Inc. On December 31, 2016, James McBride retired as owner and President and CEO and James Englert assumed these management roles. In January 2020, James

transferred ownership of the firm and retired as CEO at the end of 2021. James is an investment advisor, financial planner, tax preparer, and a member of the HFA Investment Committee.

James was also a registered representative and investment advisor representative of Ensemble Financial Services, Inc. through July 2011. From July 2011 to July 2013, James was a registered representative of Wall Street Financial Group, Inc. From 2013 to 2017, James was a Registered Representative with Leigh Baldwin & Co.

James is a CFP® practitioner and earned this designation in 1991. James is also an Enrolled Agent (EA) with the IRS since July 2002.

**Item 2 – Disciplinary History.** There are no disciplinary actions to report.

**Item 3 – Other Business Activities.**

James is licensed to sell life, accident, health, and long-term care insurance. This activity may generate a commission.

James currently serves on the Board of Directors of the Rochester Philharmonic Orchestra.

**Item 4 – Additional Compensation.** James does not receive additional compensation or economic benefit from any other individuals or companies.

James does not receive compensation for his work on the Board of Directors of the Rochester Philharmonic Orchestra. This is a volunteer position.

**Item 5 – Supervision.** James T. Englert's activities are supervised by George Marron (phone: 585-935-8532/ e-mail [gmarron@highfallsadvisors.com](mailto:gmarron@highfallsadvisors.com)), the Compliance Department and Investment Committee at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee. All incoming and outgoing correspondence between James T. Englert and his clients is monitored and all advertising is reviewed and approved by the Compliance Department.

## **JAMES H. MCBRIDE**

**Item 1 – Education and Business Experience.** James McBride was born in 1945. He graduated from the University of Maine with a Bachelor of Science degree in Agricultural Business and Economics in 1967.

James's experience includes a long career in banking. Prior to forming High Falls Advisors, he was General Manager of Sage Ruddy & Company. From 2006 to 2008, James was a registered investment advisor doing business as High Falls Advisors. In 2008, James formed High Falls Advisors, LLC, a limited liability company in partnership with James Englert. On December 31,

2012, High Falls Advisors, LLC merged into High Falls Advisors, Inc. where James continued to act in the management role as President and CEO until December 31, 2016 when he retired. James continues to act as an independent investment advisor representative.

James was also a registered representative and investment advisor representative of Ensemble Financial Services, Inc. through July 2011. From July 2011 to July 2013, James was a registered representative of Wall Street Financial Group, Inc. From 2013 to 2017, James was a Registered Representative with Leigh Baldwin & Co.

**Item 2 – Disciplinary History.** There are no disciplinary actions to report.

**Item 3—Other Business Activities.**

James currently serves on the Board of St. John’s Senior Communities in Rochester, New York and as Executive Director of the Bulrush Foundation. He also provides Trustee services.

**Item 4 – Additional Compensation.** James receives Trustee fees for his role as Trustee and receives an administration fee for his role as the Executive Director of the Bulrush Foundation.

James does not receive compensation for his work on Board of St. John’s Senior Communities. This is a volunteer position.

**Item 5 – Supervision.** James McBride’s activities are supervised by Kenneth Burke (phone: 585-935-5300 x 111 / e-mail: [kburke@highfallsadvisors.com](mailto:kburke@highfallsadvisors.com)), the Investment Committee, and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm’s Investment Committee. All incoming and outgoing correspondence between James McBride and his clients is monitored and all advertising is reviewed and approved by the Compliance Department.

**KENNETH BURKE, CPA/PFS, CBEC®, PRESIDENT/CEO/CFO**

**Item 1 – Education and Business Experience.** Kenneth Burke was born in 1964. He graduated from Niagara University with BBA degree in accounting in 1986.

Prior to 2009, Ken was a partner in an accounting firm. In 2009, Ken started his own tax and business coaching firm, Ken Burke International, Inc. (d/b/a Focal Point Coaching of New York). In May of 2014, Ken joined HFA as its General Manager and CFO. In 2020, Ken became part-owner of the firm and assumed the title of President. He continues to act as CFO. Ken also performs some investment advisory services, financial planning, and tax preparation services for the firm and advises business owners on exit planning strategies for business succession.

Ken is a CPA and is credentialed with the AICPA (American Institute of Certified Public Accountants) as Personal Financial Specialist. He is also a Certified Business Exit Consultant (CBEC®).

**Item 2 – Disciplinary History.** There are no disciplinary actions to report.

**Item 3 – Other Business Activities.** Ken is a member of the Niagara University College of Business Advisory Board.

**Item 4 – Additional Compensation.** Ken does not receive compensation for his work on the Advisory Board at Niagara University. This is a volunteer position.

**Item 5 – Supervision.** Ken Burke's activities are supervised by Jennifer Vogler (phone: 585-935-5308/ e-mail: jvogler@highfallsadvisors.com). This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee. All incoming and outgoing correspondence between Ken Burke and his clients is monitored and all advertising is reviewed and approved by the Compliance Department.

### **DEBORAH D. BASTOW, MBA**

**Item 1 – Education and Business Experience.** Deborah D. Bastow was born in 1950. She graduated from the College of William and Mary with a Bachelor of Science degree in Mathematics in 1972 and from The Simon School at the University of Rochester with a Master of Business Administration (MBA) in 1987.

From 2006 to 2007, Deborah was an independent financial advisor with James McBride DBA High Falls Advisors. In 2008, Deborah became an independent financial advisor with High Falls Advisors, LLC. From 2006 to 2011, Deborah was a Registered Representative of Ensemble Financial Services, Inc. From 2011 to 2013, Deborah was a Registered Representative and Investment Advisor Representative with Wall Street Financial Group, Inc.

Deborah continues as an independent investment advisor representative.

**Item 2 – Disciplinary History.** There are no disciplinary actions to report.

**Item 3 – Other Business Activities.** Deborah is licensed to sell life, accident, health and long-term care insurance. This activity may generate a commission. Deborah is also currently a Registered Representative with Leigh Baldwin & Co. As a Registered Representative of Leigh Baldwin, Deborah may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. Deborah is also licensed to sell life, accident, health, and long-term care insurance.

Deborah also performs Trustee Services.

**Item 4 – Additional Compensation.** Deborah receives Trustee fees when she acts as Trustee of a trust.

**Item 5 – Supervision.** Deborah D. Bastow’s activities are supervised Ken Burke (phone: 585-935-5300 x111/ e-mail [kburke@highfallsadvisors.com](mailto:kburke@highfallsadvisors.com)), the Investment Committee, and the Compliance Department at High Falls Advisors, Inc. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm’s Investment Committee. All incoming and outgoing correspondence between Deborah D. Bastow and her clients is monitored and all advertising is reviewed and approved by the Compliance Department.

### **ANNRANDYL BEACH**

**Item 1 – Education and Business Experience.** AnnRandyl (“Randi”) Beach was born in 1980. She graduated from the State University of New York at Fredonia with a Bachelor of Science degree in Business with a specialty in Finance in 2002.

Prior to joining HFA, Randi worked as a customer service representative with Sage Rutty & Co. and Engelson & Associates. In 2006, Randi joined HFA as an advisor assistant and in 2016 moved into her current role as a salaried investment advisor. She performs tax preparation services for the firm.

**Item 2 – Disciplinary History.** There are no disciplinary actions to report.

**Item 3 – Other Business Activities.** Randi is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative, Randi can sell securities through Leigh Baldwin for which she may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. Randi is also licensed to sell life, accident, health, and long-term care insurance. This activity may generate a commission.

**Item 4 – Additional Compensation.** Randi does not receive additional compensation or economic benefit from any other individuals or companies.

**Item 5 – Supervision.** Randi’s activities are supervised by George Marron (phone: 585-935-8532/ e-mail [gmarron@highfallsadvisors.com](mailto:gmarron@highfallsadvisors.com)) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm’s Investment Committee. All incoming and outgoing correspondence between Randi and her clients is monitored and all advertising is reviewed and approved by the Compliance Department.

## **DEBORAH B. KING, CRPC®**

**Item 1 – Education and Business Experience.** Deborah B. King was born in 1965.

From 2007 to 2011, Deborah worked for Ralph K. Angelo and Angelo Financial Planning Group as the Office Manager. Deborah joined High Falls Advisors in December 2011 in our Operations Department and as an Advisor Assistant. In April 2014 Deborah took on a new role with HFA as a salaried investment advisor representative.

Deborah holds the designation of Chartered Retirement Planning Counselor<sup>SM</sup> (CRPC®).

**Item 2 – Disciplinary History.** There are no disciplinary actions to report.

**Item 3 – Other Business Activities.** Deborah is also a Registered Representative with Leigh Baldwin & Co., LLC, a Broker Dealer registered with the Financial Industry Regulatory Authority (FINRA). As a Registered Representative of Leigh Baldwin, Deborah may receive commissions and service fees (trails) from the sale of securities, variable insurance products and mutual funds. Commissions for securities, variable insurance products and mutual funds are based on the product sold. Deborah is also licensed to sell life, accident, health, and long-term care insurance. This activity may generate a commission.

**Item 4 – Additional Compensation.** Deborah does not receive additional compensation or economic benefit from any other individuals or companies.

**Item 5 – Supervision.** Deborah B. King's activities are supervised by George Marron (phone: 585-935-8532/ e-mail [gmarron@highfallsadvisors.com](mailto:gmarron@highfallsadvisors.com)) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm's Investment Committee. All incoming and outgoing correspondence between Debbie King and her clients is monitored and all advertising is reviewed and approved by the Compliance Department.

## **RUSSELL J. MANDRINO**

**Item 1 – Education and Business Experience.** Russell J. Mandrino was born in 1934. He graduated from the University of Rochester with a Bachelor of Science degree 1966.

Russell's experience includes a long career in banking. Prior to joining High Falls Advisors, Russell was an investment advisor with Sage Rutty & Company. From 2007 through 2008, he was an independent investment advisor with James McBride DBA High Falls Advisors and in 2008 Russell was an independent investment advisor with High Falls Advisors, LLC and continued in this capacity until 2015. In 2015, Russell became a salaried investment advisor to High Falls Advisors, Inc.

Russell was a registered representative and investment advisor representative of Ensemble Financial Services, Inc. through July 2011. From July 2011 to July 2013, Russell was a registered representative and investment advisor representative with Wall Street Financial Group. From 2013 to 2017, Russell was a Registered Representative with Leigh Baldwin & Co.

**Item 2 – Disciplinary History.** There are no disciplinary actions to report.

**Item 3 – Other Business Activities.** None

**Item 4 – Additional Compensation.** Russell does not receive additional compensation or economic benefit from any other individuals or companies.

**Item 5 – Supervision.** Russell Mandrino’s activities are supervised by George Marron (phone: 585-935-8532/ e-mail [gmarron@highfallsadvisors.com](mailto:gmarron@highfallsadvisors.com)), the Investment Committee, and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm’s Investment Committee. All incoming and outgoing correspondence between Russ Mandrino and his clients is monitored and all advertising is reviewed and approved by the Compliance Department.

**GEORGE D. MARRON, J.D., CFP®**

**Item 1 – Education and Business Experience.** George Marron was born in 1972. He graduated from the College of the Holy Cross in 1994 with a Bachelor of Arts degree in Psychology. He received his law degree (Juris Doctor) from SUNY at Buffalo in 1999 and was admitted to the NYS Bar in 2000.

Prior to working as a financial advisor, George was a law partner in a local law firm, Chamberlain D’Amanda Oppenheimer & Greenfield, LLP. From 2013 to 2017, George was a Sr. Wealth Management Consultant at Manning and Napier and from 2018 through 2020, George was a Vice President and Relationship Manager at Karpus Investment Management. George joined High Falls Advisors in January 2021 as a senior investment advisor.

George is a CFP® practitioner and earned this designation in 2014.

**Item 2 – Disciplinary History.** There are no disciplinary actions to report.

**Item 3 – Other Business Activities.** George maintains and runs a small private law practice.

George is also licensed to sell life, accident, health, and long-term care insurance. This activity may generate a commission.

**Item 4 – Additional Compensation.** George does receive outside compensation for the activities performed as an attorney.

**Item 5 – Supervision.** George Marron’s activities are supervised by Ken Burke (phone: 585-935-5300 x111/ e-mail [kburke@highfallsadvisors.com](mailto:kburke@highfallsadvisors.com)) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm’s Investment Committee. All incoming and outgoing correspondence between George Marron and his clients is monitored and all advertising is reviewed and approved by the Compliance Department.

**JENNIFER VOGLER, J.D. / VICE PRESIDENT, CHIEF COMPLIANCE OFFICER**

**Item 1 – Education and Business Experience.** Jennifer Vogler was born in 1969. She graduated from Hamilton College in 1991 with a Bachelor of Arts degree in History and English. She received her law degree (Juris Doctor) from SUNY at Buffalo in 1995 and was admitted to the NYS Bar in February 1996.

Jennifer has served in the role of Chief Compliance officer at High Falls Advisors since 2007. In 2020, she became part-owner of the firm with Kenneth Burke. In addition to her compliance duties, Jennifer leads the firm’s tax department and provides advisory services for a small number of clients. Prior to joining High Falls, Jennifer ran her own solo law practice focusing on estate planning and real estate.

**Item 2 – Disciplinary History.** There are no disciplinary actions to report.

**Item 3 – Other Business Activities.** Jennifer continues to handle a small number of legal matters as a licensed attorney through her own firm. Jennifer is a board member of St. John’s Foundation and serves as the Financial Consultant for the Irondequoit Girl Scouts of Western New York.

**Item 4 – Additional Compensation.** Jennifer does receive outside compensation for the activities performed as an attorney. The board position with St. John’s Foundation and the financial consultant role with the Girl Scouts are both volunteer positions and she does not receive compensation for this work.

**Item 5 – Supervision.** Jennifer Vogler’s activities are supervised by Ken Burke (phone: 585-935-5300 ext. 111, [kburke@highfallsadvisors.com](mailto:kburke@highfallsadvisors.com)) and the Compliance Department at HFA. This review/supervision is achieved through frequent office interactions, periodic reviews of randomly selected client accounts and regular meetings of the firm’s Investment Committee. All incoming and outgoing correspondence between Jennifer Vogler and her clients are monitored and all advertising is reviewed and approved by the Compliance Department.