



John G. Ullman  
& Associates, Inc.

COMPREHENSIVE WEALTH MANAGEMENT SINCE 1978

**ACKNOWLEDGEMENT OF RECEIPT OF  
FORM ADV PART 2A DISCLOSURE BROCHURE, FORM CRS & PRIVACY NOTICE**

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I/We acknowledge receipt of John G. Ullman & Associates, Inc.'s Form ADV Part 2A Brochure, Form CRS and Privacy Notice. I/We have been advised that these documents contain important information about John G. Ullman & Associates, Inc., as well as the Firm's fee structure.

\_\_\_\_\_  
Client Name

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Client Name

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date

Please sign and return this form to John G. Ullman and Associates, Inc., either by mail to the address below or at our Introductory Meeting.

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Item 1 – Cover Page

John G. Ullman & Associates, Inc.

343 Daniel Zenker Drive

Horseheads, NY 14845

(607) 936-3785

[www.jgua.com](http://www.jgua.com)

March 27, 2023

This Brochure provides information about the qualifications and business practices of John G. Ullman & Associates, Inc. (JGUA). If you have any questions about the contents of this Brochure, please contact us at (607) 936-3785. 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.

John G. Ullman & Associates, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about John G. Ullman & Associates, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. Our last annual update of our brochure was on March 25, 2022.

Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Amy Stark, at (607) 936-3785 or [starka@jgua.com](mailto:starka@jgua.com). Our Brochure is also available on our web site [www.jgua.com](http://www.jgua.com), also free of charge.

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

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#### **Item 4 – Advisory Business**

John G. Ullman & Associates, Inc. (JGUA) is a comprehensive financial management firm offering to its clients discretionary investment advice and financial planning services regarding all aspects of their financial affairs. JGUA was founded in 1978 by John G. Ullman. The principal owners of JGUA still remain John G. & Barbara L. Ullman. Financial planning activities constitute approximately 50% of the services offered by JGUA. Investment management services are provided on a discretionary basis through customized programs. Clients receive investment advice on equity securities, warrants, corporate bonds, municipal bonds, convertible bonds, variable rate bonds, foreign currency bonds, commercial paper, bank CD's, mutual fund shares, exchange-traded funds, executive stock options, government securities and partnerships investing in real estate and oil and gas interests. With the prior consent of the client, JGUA furnishes discretionary investment management services defined as the authority to determine, without obtaining the specific client consent, the securities to be bought or sold, the amount of the securities to be bought and sold and the commission rates to be paid. Investment advice is also furnished through consultation.

JGUA manages balanced portfolios based on the personal objectives of clients. The portfolio can consist of one or more of several types of accounts, established in the client's name. JGUA works with clients to establish a risk tolerance profile that serves as our guide for investing. This risk segmentation profile is developed based on the clients overall financial goals, risk tolerance, other investments, and investment preferences. We do have processes in place to allow clients to impose restrictions on investing in certain securities or types of securities.

As of December 31, 2022, JGUA had over \$1,091,973,600 in assets under management. As of that date, JGUA managed \$1,063,662,000 on a discretionary basis and \$28,311,500 on a non-discretionary basis. In addition, we manage \$100,201,900 in proprietary and employee assets. We manage over nine hundred client families.

## Item 5 – Fees and Compensation

The specific manner in which fees are charged by JGUA is established in a client's written agreement with JGUA. The management fee structure is as follows:

First \$1,000,000	2% of Net Assets under management (with a \$5,000 minimum)
	Plus 1 3/4% of the second million of Net Assets under management
	Plus 1 1/2% of the third million of Net Assets under management
	Plus 1 1/4% of the fourth million of Net Assets under management
	Plus 1 1/8% of the fifth million of Net Assets under management
	Plus 1% of Net Assets between five million and twelve million under management with a maximum annual fee, for the first twelve million of Net Assets under management, of one hundred twenty thousand dollars in any contract year

For assets managed by John G. Ullman & Associates, Inc. in excess of twelve million, the following fee schedule shall apply:

0.76% of the next three million of Net Assets under management
Plus 0.68% of the next five million of Net Assets under management
Plus 0.60% of the next five million of Net Assets under management
Plus 0.55% of Net Assets over twenty-five million

The minimum fee and rate may be reduced for nonprofit organizations or other special situations. Fees are not negotiable. There are additional disclosures for ERISA Bonded accounts. The management fee is payable at the commencement of the contract year. Fees from capital

additions in excess of the \$250,000 minimum account size are billed on deposit at a prorated fee for the remainder of the contract year.

The appointment of Ullman as investment manager is automatically renewed upon the contract date for subsequent one-year periods. The investment management contract may be canceled by clients upon providing at least sixty days written notice. The unearned portion of the management fee is reimbursed to clients; however, the initial year management fees shall in no event be less than \$5,000 which is meant to compensate Ullman for start-up expenses and analysis of client's financial situation. John G. Ullman & Associates, Inc. generally charges its fee for service on an annual basis in advance. Clients shall receive prior notification of the anticipated fee. Clients may elect to be billed directly for fees or to authorize JGUA to directly debit fees from client accounts.

JGUA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to JGUA's fee, and JGUA shall not receive any portion of these commissions, fees, and costs.

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

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

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

## **Item 7 – Types of Clients**

JGUA provides portfolio management services to individuals, high net worth individuals, charitable institutions, foundations, endowments, trusts and U.S. corporations.

John G. Ullman & Associates, Inc. generally seeks clients with net assets for management in excess of \$250,000.



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

JGUA recommends securities based on fundamental and technical analysis methods. To identify undervalued securities JGUA uses an inherent value technique including the evaluation of financial position, product and market factors, and management. In its analysis JGUA relies strictly on public information including research materials, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, company press releases, newspapers and magazines, and inspections of corporate activities. JGUA has contractual relationships with members of the New York Stock Exchange (broker-dealers) to provide institutional research for the benefit of all clients.

Our approach combines a strategic asset allocation, including preferred investment sectors, with substantially individual security selection. Value Based analyses are emphasized for most equity security decisions. Our accounts are managed primarily at an overall family level, rather than an individual account level. Accounts are balanced with limitations placed on the level of high quality and aggressive equity investments based on individual risk segmentations.

Investing in securities involves risk of loss that clients should be prepared to bear. JGUA emphasizes low to moderate risk investments. The use of balanced accounts (including fixed income securities) and equity diversification are critical elements to our Portfolio Management process. The company does not trade short nor does it trade in options or commodities. JGUA does not maintain margin accounts. Securities are usually purchased with the intent of holding them for at least one year; however, trading may occur more frequently. As part of our value-oriented approach, security price points are key contributors to our buy and sell decisions. Investment and trading decisions are made on an ongoing basis.

## **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 JGUA or the integrity of JGUA's management. JGUA has no information applicable to this item.

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

JGUA engages the services of David B. Mirsky as an Advisor. David B. Mirsky in his independent financial planning business may also represent other investment advisors. JGUA supervises and controls only the advisement of JGUA clients by Mr. David B. Mirsky. JGUA

has no arrangements or understandings with any other investment advisors represented by Mr. Mirsky.

## **Item 11 – Code of Ethics**

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

JGUA anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which JGUA has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which JGUA, its affiliates and/or clients, directly or indirectly, have a position of interest. JGUA's employees and persons associated with JGUA are required to follow JGUA's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of JGUA and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for JGUA's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of JGUA will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of JGUA's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is monitored under the Code of Ethics to reasonably prevent conflicts of interest between JGUA and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with JGUA's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. JGUA will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be

allocated on a pro rata basis. Any exceptions will be explained on the Order.

JGUA's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Jennifer E. Krasnansky.

It is JGUA's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

The policy of John G. Ullman & Associates, Inc. is to utilize and maintain client accounts at unaffiliated third party broker-dealers. Clients receive transaction confirmations as well as account statements directly from the unaffiliated third party broker. Clients determine where to maintain their accounts from an approved broker list provided by JGUA. Each broker-dealer has a set commission schedule and clients could receive lower commission rates based on household size and statement preferences. JGUA typically utilizes the following criteria to review our third party broker selections:

- Strong structure and reputation to earn confidence and trust with a long-term relationship objective
- Ready access to a large volume of fixed income securities and access to a wide range of investment vehicles coupled with broad capabilities
- Attractive financial terms for individual client accounts that provide value to the clients
- Strong technology and available account information to facilitate trading
- Dedicated relationship managers associated with all aspects of client service

It is common for John G. Ullman & Associates, Inc. to purchase and sell securities for its clients under a method of block trade orders, which with certain broker-dealers provides efficiencies of scale. This practice of combining many client trades into one large trade improves JGUA's

ability to execute trades at favorable price levels. The average price per share of a block trade is allocated to each account that participates. Accounts that participate in the same block trade are charged transaction costs and commissions in accordance with their individual client agreements. Transactions in over-the-counter securities are effected on an agency basis, for JGUA to obtain the best possible price for clients, within the offering and bid price. Relative to such transactions, clients pay commissions to the broker-dealers either on a gross or net basis; if on a net basis, the difference in price is generally disclosed on the confirmation and generally results in a better total price for clients.

In certain situations JGUA allows clients to open their account with a broker-dealer that is not on our approved list. In such situations it is possible that JGUA may be unable to achieve the most favorable execution of client transactions. Directing brokerage in this manner may cost clients more money. For example, clients directing brokerage may also incur other transaction costs, greater spreads, or receive less favorable net prices on transactions for their accounts.

Some of the custodians we utilize provide us with certain brokerage and research products and services that qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act").

We may also receive additional benefits (also known as "non-cash" compensation) as a result of our relationships with our custodians. These resources are also referred to as "Other Economic Benefits". Examples include:

- Receipt of duplicate client confirmations
- Receipt of electronic duplicate account statements
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts
- Access to electronic communication networks for client order entry and account information
- Access to the investment advisor portion of their web sites (this may include practice management articles, compliance updates, and other financial planning related information and research materials)
- Access to other vendors on a discounted fee basis through discounts arranged by the custodians

JGUA does not currently have any commitments in place to invest any specific amount or percentage of our client assets with any specific broker-dealer or in any specific securities or other investment products as a result of the above arrangements.

### **Item 13 – Review of Accounts**

Each account is internally reviewed by a member of the Investment Committee at least quarterly. When new cash is added to the account it is reviewed more frequently as the account is invested. Portfolio adjustments will be made as changes in the client's financial circumstances warrant. Reports of portfolio holdings are issued quarterly; performance reports are prepared semiannually and are generally included with reports of portfolio holdings. Clients can elect to receive their quarterly reports either via a paper copy or via an electronic copy accessed via a secure client portal. Clients also receive monthly or quarterly statements directly from the third-party broker who custodies their assets. The investment committee that determines general investment management strategies consists of John G. Ullman, David Labato, Jennifer Bement-Coon, Darren L. Wilcox, Mark Abdalla, Bill Armstrong and Brett Winnefeld. The persons responsible for the primary quarterly account reviews are the CEO, the Director of Trading and the Portfolio Manager. Other financial advisory and planning services are conducted by Advisors. Advisors who have direct responsibility for the investment advisory services of JGUA must have academic background and experience in the investment management field.

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

JGUA engages the services of an unaffiliated third-party as an Investment Adviser Solicitor. Solicitors will be identified and compensated in accordance with the terms disclosed in a separate written solicitor's agreement. Such terms and agreement will be provided to clients by the Solicitor at the time of solicitation. In addition, John G. Ullman & Associates, Inc. also provides employees with additional cash or non-cash compensation for client referrals. Referral fees will not increase the management fees paid by clients.

### **Item 15 – Custody**

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct the Broker Dealer to deduct our advisory fees directly from your account. The Broker Dealer maintains actual custody of your assets. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. They will be sent to the email or postal mailing address you provided to the Broker Dealer. JGUA urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

In certain limited circumstances, employees of John G. Ullman & Associates, Inc. are appointed to a fiduciary capacity, such as trustee or executor, on behalf of a client. In those circumstances, John G. Ullman & Associates, Inc. shall ensure that third party broker statements are provided to an unaffiliated interested person.

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

JGUA usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities 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.

When selecting securities and determining amounts, JGUA observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to JGUA in writing. Prior to JGUA exercising any discretionary authority over an account we require a signed and properly executed contract between JGUA and the client(s). In addition, all proper account paperwork needs to be on file and accepted by the third-party broker who maintains the investment assets.

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

As a matter of firm policy and practice, JGUA 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. JGUA may provide advice to clients regarding the clients' voting of proxies upon request.

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

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

JOHN G. ULLMAN & ASSOCIATES, INC.  
 INFORMATION DERIVED FROM AUDITED FINANCIAL STATEMENTS  
 CONDENSED STATEMENT OF FINANCIAL CONDITION  
 AS OF DECEMBER 31, 2022

ASSETS

Cash and equivalents	\$ 6,143,628
Accrued interest & receivables/prepaid expenses & taxes	<u>145,393</u>
<u>TOTAL CURRENT ASSETS</u>	<u>6,289,021</u>
<u>TOTAL FIXED ASSETS</u>	<u>3,610,021</u>
<u>TOTAL INVESTED ASSETS (SECURITIES @ FAIR MARKET VALUE)</u>	<u>55,320,606</u>
<u>TOTAL ASSETS</u>	<u>\$ 65,219,648</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Accounts payable/accrued expenses	\$ 2,960,302
Deferred shareholder distributions	4,629,746
Unearned investment management fees	<u>10,482,277</u>
<u>TOTAL LIABILITIES</u>	<u>18,072,325</u>
<u>DEFERRED COMPENSATION</u>	<u>208,000</u>
<u>TOTAL STOCKHOLDERS' EQUITY</u>	<u>46,939,323</u>
<u>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</u>	<u>\$ 65,219,648</u>

Notes:

Accounting Principles

This condensed Statement of Financial Condition was derived from the consolidating financial statements which were prepared in accordance with generally accepted accounting principles and audited by an independent public accounting firm.

Unearned Investment Management Fees

The Company receives management fees in advance for investment management and certain other client services. As services are provided, the fees are proportionally recognized as income.

Income Taxes

Beginning in 1988, the Corporation elected to be taxed as an S-Corporation, and as a result, no provision for federal income taxes is included in this year's financial statements. Provision has been made, however, for the New York State tax liability required for S-Corporations and federal tax on certain built-in gains.