

Firm Brochure
(Part 2A of Form ADV)

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This brochure provides you with information about the qualifications, business practices, and nature of advisory services of BRM Investment Management, LLC, all of which should be considered before becoming an advisory client of our Firm. Please contact pmassey@masseyromanscapital.com, Chief Compliance Officer, if you have any questions about this narrative brochure.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC"), or by any state securities authority.

Additional information about our Firm is available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number known as a CRD number. Our Firm's CRD number is 167555.

Item 2. Material Changes

This Item of the BRM Investment Management, LLC's Part 2A of Form ADV ("Brochure") summarizes material changes that have been made to the Brochure since our annual updating amendment. Since our initial ADV filing on September 7, 2022 the following changes have been made:

- Item 4: The Firm added, Formidable Florida, as an additional name the Firm operates under.
- Item 4: The Firm removed Non-Fiduciary services.

Full Brochure Available—We will provide you with a new version of the Brochure as necessary based on changes or new information, at any time, without charge. Whenever you would like to receive a complete copy of our Brochure, please contact us by telephone at **772-925-8860** or by email at: pmassey@masseyromanscaital.com.

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Item 4. Advisory Business

A. Firm Description

BRM Investment Management, LLC, (“BRM Investment Management,” “BRMI” or “the Firm”) also doing business as Massey Romans Capital; is an investment management firm that is registered with the U.S. Securities and Exchange Commission (“SEC”) as an investment adviser based in Vero Beach, FL. The Firm’s registration as an investment adviser does not imply a certain level of skill or training. The Firm is organized as a Delaware limited liability company that was founded in 2022. BRM Investment Management’s current business activities consist:

- Portfolio Management Services
- Financial Planning/Consulting Services

Principal Owner: William B. Brown (50%), Paul Massey (25%), and William Romans (25%) are principal owners.

The Firm also operates under the name, Formidable Florida.

B. Types of Advisory Services

PORTFOLIO MANAGEMENT SERVICES

BRM Investment Management offers personalized investment advisory services which are focused on providing a roadmap of income and expenses over our client’s life. Our advice and services are tailored to meet our client’s individual needs, circumstances and goals. We offer our portfolio management services through both discretionary and non-discretionary management. We conduct initial meetings with clients in order to understand their current financial situation, existing resources, goals, objectives and risk tolerances.

Discretionary Portfolio Management: The primary service we provide is discretionary asset management program. Clients participating in this program are generally placed in a strategy or allocation that is overseen by financial professional at our Firm and sub-advised by a third-party investment adviser. Under this program, BRM Investment Management and any sub-advisers we hire to manager the assets in your account are authorized to buy and sell investments in the account without asking you in advance. We monitor the portfolio on an ongoing and continuous basis, unless otherwise agreed, and will make adjustments and reallocations as necessary due to changes in the market and your unique circumstances. Clients may impose certain reasonable written restrictions on BRM Investment Management in regards to the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments. Each client should take note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client’s investment portfolio.

Non-Discretionary Portfolio Management: Alternatively, BRM Investment Management provides non-discretionary portfolio management services whereby the Firm will make specific investment recommendations to a client tailored to meet the needs and investment objectives of that specific client but shall not initiate any orders to purchase or

sell any securities (or specific securities) without the client's approval. This program offers clients the opportunity to maintain full investment authority and direct the individual investments made within their own accounts.

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of: 1) Leaving the funds in your employer's (former employer's) plan; 2) moving the funds to a new employer's retirement plan; 3) cashing out and taking a taxable distribution from the plan; and/or 4) rolling the funds into an IRA rollover account. Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney. Our recommendations may include any of them, depending on what we feel is in your best interest.

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. As a fiduciary, we are required to document the reason(s) for why the recommendation we made is in your best interest.

FINANCIAL PLANNING AND CONSULTING SERVICES

BRM Investment Management provides financial planning and consulting services for clients seeking financial advice involving the analysis of a particular investment, investment portfolio, or overall financial situation. The consulting services typically take the form of a financial plan. These consulting services may include, but are not necessarily limited to, a review of aspects of an individual's current financial situation, with emphasis on portfolio analysis, estate planning, insurance planning, education planning and/or capital needs planning. BRM Investment Management may also assist the client in coordinating the implementation of any recommendations made. The decision to implement any recommendation rests exclusively with the client, and the client has no obligation to implement any such recommendations through BRM Investment Management or its affiliates.

In preparing the financial plan for a client, BRM Investment Management will gather information deemed relevant to the particular advisory services being provided through fact-finding reviews with the client and through documents provided by the client. The service includes an analysis of the client's financial information, which may include items such as the client's current assets, income, investments, liabilities, short and long-term capital and liquidity needs, risk tolerance and short and long-term financial goals and objectives.

C. Tailored Relationships

The investment advisory services offered by BRM Investment Management are based on the individual needs of our clients and the suitability of products and services. We make an assessment of our client's goals, objectives, investment horizon, and risk tolerance. If clients wish to impose certain restrictions on investing in certain securities or types of securities, the Firm will address those restrictions with the clients to have a clear understanding of the client's requirements. **As the client's financial situation, goals, objectives, or needs change, the client must notify BRM Investment Management promptly.**

D. Wrap Fee Programs

Wrap Fee Programs are arrangements between broker-dealers, investment advisers, banks and other financial institutions and affiliated and unaffiliated investment advisers through which the clients of such firms receive discretionary investment advisory, execution, clearing and custodial services in a "bundled" form. In exchange for these "bundled" services, the clients pay an all-inclusive (or "wrap") fee determined as a percentage of the assets held in the wrap account. BRM Investment Management does not participate in and is not a sponsor of any wrap fee program(s).

E. Assets under Management

As of February 22, 2023 the Firm has \$ \$132,880,104 in assets under management, all of which are discretionary.

Item 5. Fees and Compensation

A. Advisory Fees and Billing

PORTFOLIO MANAGEMENT SERVICES

BRM Investment Management will assess a management fee (the "Management Fee") to provide discretionary and non-discretionary portfolio management services. The management fee is an annual fee based on a percentage of the client's assets under management.

Clients are assessed an annual Management Fee ranging from 0.50% to 2.00% (per annum). The Management Fee is billed quarterly in advance. The fees are based on the level of complexity involved in managing the client's assets.

The Management Fee will be calculated and charged on a quarterly basis, in advance, based upon the market value of a client's assets on the last day of the previous quarter,

depending on the amount of assets under management, related accounts, or other relevant factors.

The payment of fees will be debited from the client's account in accordance with the IA Agreement, and are paid by the qualified custodian holding the client's funds and securities. Payment of portfolio management fees will be made directly from the client account by the custodian provided that the following requirements are met:

- The client provides written authorization permitting the fees to be paid directly from client's account held by the custodian. The Firm does not have access to client funds for payment of fees without client consent in writing. Under certain circumstances and upon request by the client, a direct bill/invoice will be sent to the client.
- The custodian agrees to provide the client a statement, at least quarterly, indicating all amounts dispersed from the account including the amount of the Management Fee paid directly to the Firm.

BRM Investment Management reserves the right to discount fees based on the needs and circumstances of clients. All of the above-referenced fees are negotiable. Management Fees and services are separate and distinct from financial planning fees and services.

FINANCIAL PLANNING AND CONSULTING SERVICES

Financial planning and consulting fees are negotiable between the client and BRM Investment Management; however, BRM Investment Management typically charges an hourly fee of \$250. The hourly fee is negotiable depending on the scope and complexity of the plan, the client's situation and objectives. An estimate of the total time/cost will be determined at the start of the advisory relationship. In limited circumstances, the time/cost could potentially exceed the initial estimate. In such cases, the Firm will notify the client and may request that the client approve the additional fee. All consulting fees are due upon completion of services.

BRM Investment Management may waive or lower these fees where the client has engaged BRM Investment Management for other advisory services or for such other reasons as determined by the Firm in its discretion. Clients are not obligated to implement the plan's recommendation through any of the Firm's other investment advisory services. It is possible that a client of BRM Investment Management may pay more or less for similar services than may be available through another firm.

B. Other Fees & Expenses

There will be additional fees or charges that result from the maintenance of or trading within your account. These are fees that are imposed by third parties in connection with investments made through, and for, your account, including but not limited to, no-load mutual fund 12(b)-1 distribution fees, certain deferred sales charges on previously purchased mutual funds, fund level management fees and other fund expenses, commissions and custody charges imposed by the custodian and IRA and Qualified Retirement Plan fees.

C. Refund Policy

Clients may request to terminate their IA Agreement, in whole or in part, by providing advanced written notice. Either party may terminate the IA Agreement by providing written notice to the other party. In the event of termination, fees are prorated from the date of last billing to the date of notice of termination. Upon termination of the IA Agreement, by either party, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees for any unbilled portion of a month will be collected prior to disbursement of funds.

D. Other Forms of Compensation

The principal owner and Investment Adviser Representatives (“IARs”) of BRM Investment Management are also insurance agents licensed with the Ohio Department of Insurance. As licensed insurance agents, our IARs offer life, accident, health, variable and long-term care insurance-related products to clients. BRM Investment Management’s IARs may recommend the purchase of certain insurance-related products on a commission basis. Clients can engage the Firm’s IARs to effect insurance transactions on a commission basis. The recommendations by the IARs that a client purchase an insurance commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend products based on commissions received, rather than on a particular client’s need. No client is under any obligation to purchase any commission products through BRM Investment Management’s IARs. Clients are reminded that they may purchase insurance products recommended by the Firm’s IARs through other, non-affiliated insurance agents.

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

Performance-Based Fees (“Performance Fees”) are based on a share of the capital gains or capital appreciation of the assets of a client. Fees based on performance means BRM Investment Management participates directly in the account’s results. The Performance Fee may, indirectly, create an incentive for the Firm to make investments on behalf of the client that are riskier or more speculative than would be the case in the absence of such a fee. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

Managing accounts with Performance Fees and accounts without Performance Fees may present a conflict of interest for the Firm. In such a scenario the Firm may have an incentive to favor accounts for which BRM Investment Management receives Performance Fees. So as to address this apparent conflict of interest, in executing its fiduciary duty to clients the Firm and its personnel endeavor at all times to put the interest of clients first and seeks to manage all client accounts in accordance with this fiduciary duty. In addition, the Firm seeks to address this apparent conflict of interest through the execution the Firm’s policies and procedures. At this time, BRM Investment Management, LLC does not charge Performance Based Fees.

Item 7. Types of Clients

BRM Investment Management provides discretionary and non-discretionary asset management services to different types of clients. The Firm generally provides advice to individuals seeking diversification of assets through specialized allocation strategies. The Firm provides advisory services to the following types of clients: individuals; high net worth individuals; pooled investment vehicles; pension and profit-sharing plans; corporations; and other investment advisers. BRM Investment Management provides asset and portfolio management services to other Registered Investment Companies and Registered Investment Professionals as described above.

BRM Investment Management does not require the client to have a minimum investment amount to open and/or to maintain an account with it.

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

A. Methods of Analysis

BRM Investment Management employs fundamental analysis as our primary method for analyzing securities in seeking to achieve the investment objectives and goals of clients. Fundamental analysis consists of analyzing financial statements of companies, calculating financial ratios, and reviewing cyclical trends of industries in conjunction with other monetary policy indicators in attempting to assess the overall performance and profitability of companies. The Firm may, at times, also employ technical analysis and charting to analyze securities. Following is additional information regarding forms of analysis that may be utilized by the Firm.

Fundamental analysis involves analyzing a company's financial statements and health, its management and competitive advantages, and its competitors and markets. Fundamental analysis is performed on historical and present data, but with the goal of making financial forecasts. There are several possible objectives: to conduct a company stock valuation and predict its probable price evolution; to make a projection on its business performance; to evaluate its management and make internal business decisions; and to calculate its credit risk. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating stock.

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. The technical indicators that may be considered include, but are not limited to, price, volume, momentum, relative strength, sector/group strength and moving averages. Technical analysis does not consider the underlying financial condition of a company. This presents a risk that a poorly-managed or financially unsound company may underperform regardless of market movement.

Charting analysis involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.

Cyclical analysis of economic cycles is used in seeking to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. Between the peak and trough of a business or other economic cycle, investments may fall in value to reflect the uncertainty surrounding future returns as compared with the recent past.

B. Investment Strategies

BRM Investment Management may utilize the following investment strategies when implementing investment advice given to clients:

Long Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Long-term purchases may be affected by unforeseen long-term changes in the company in which you are invested or in the overall market.

Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, in attempting to take advantage of a security's short-term price fluctuations. The Firm may use this strategy occasionally when determined suitable given a client's stated investment objectives and tolerance for risk.

Trading - securities purchased with the expectation that they will be sold within a very short period of time, generally within 30 days. Trading is not a fundamental part of the Firm's overall investment strategy, but the Firm may use this strategy occasionally when determined that it is suitable given a client's stated investment objectives and tolerance for risk. Frequent trading strategies may be used occasionally in an effort to capture significant market gains and avoid significant losses during a volatile market. However, frequent trading can negatively affect investment performance, particularly through increased brokerage and other transactional costs and taxes.

Balance Strategy - A portfolio allocation and management method aimed at balancing risk and return. Such portfolios are generally divided equally between equities and fixed-income securities. Although the balanced investment strategy aims to balance risk and return, it does carry more risk than those strategies aiming at capital preservation or current income. In other words, the balanced investment strategy is a somewhat aggressive strategy, and is suitable for those investors who have some tolerance for risk with a longer time horizon (generally over five years).

Long Term Buy and Hold - Buy and hold is a long-term investment strategy based on the view that in the long run financial markets give a good rate of return despite periods of volatility or decline. This viewpoint also holds that short-term market timing (the concept

that one can enter the market on the lows and sell on the highs) does not work for small accounts or inexperienced investors, so it is better to simply buy and hold. The risk involved with this type of strategy is that, if you need your money in the short term, you may not be able to wait for the market to recover from a downturn.

Modern Portfolio Theory (MPT) - is a theory created by economists, who try to understand the market as a whole, as opposed to business analysts, who look for what makes each investment opportunity unique. MPT attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets. MPT is a mathematical formulation of the concept of diversification in investing, with the aim of selecting a collection of investment assets that has collectively lower risk than any individual asset. The risk, return, and correlation measures used by MPT are mathematical statements about the future. In practice, investors must substitute predictions based on historical measurements of asset return and volatility for these values in the equations. Very often, such expected values fail to take account of new circumstances, which did not exist when the historical data was generated.

Options – An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. Options are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. BRM Investment Management will use options as an investment strategy only for selected accounts.

C. Material Risks of Methods of Analysis and Investment Strategies

Clients need to be aware that investing in securities involves risk of loss that clients need to be prepared to bear.

Every method of analysis has its own inherent risks. To perform an accurate market analysis BRM Investment Management must have access to current/new market information. BRM Investment Management has no control over the dissemination rate of market information; therefore, unbeknownst to BRM Investment Management, certain analyses may be compiled with outdated market information, severely limiting the value of BRM Investment Management's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by BRM Investment Management) will be profitable or equal any specific performance level(s). BRM Investment Management does not represent, warrant, or imply that the services or methods of analysis employed by BRM Investment Management can or will

predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines.

Notwithstanding the method of analysis or investment strategy employed by the Firm, the assets within your portfolio are subject to risk of devaluation or loss. BRM Investment Management wants you to be aware that there are many different events that can affect the value of your assets or portfolio including, but not limited to, changes in financial status of companies, market fluctuations, changes in exchange rates, trading suspensions and delays, economic reports, and natural disasters.

Although BRM Investment Management's methods of analysis and investment strategies do not present any significant or unusual risks, all investment programs have certain risks that are borne by the investor. We want you to understand that there are inherent risks associated with investing and depending on the risk occurrence; you may suffer LOSS OF ALL OR PART OF YOUR PRINCIPAL INVESTMENT.

D. Recommendation of Specific Types of Securities

BRM Investment Management does not primarily recommend a particular type of security. Investments may include, but are not limited to, exchange listed securities, fixed income securities, over-the-counter securities, foreign securities, options, derivatives, money market funds or other pooled investment vehicles.

BRM Investment Management may recommend mutual funds and exchange traded funds ("ETFs"). Clients should be advised of the following risks when investing in these types of securities: Mutual funds and ETFs are professionally managed collective investment vehicles that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. In addition, while some mutual funds are "no load" and charge no fee to buy into, or sell out of the fund, other types of mutual funds charge such fees, which can also reduce returns. Mutual funds can also be "closed end" or "open end." So-called "open end" mutual funds continue to allow in new investors indefinitely, which can dilute other investors' interests. The Firm may recommend Formidable ETFs. Additional compensation from these Funds provides an incentive for BRM Investment Management to invest client assets in the Funds. This potential conflict of interest is disclosed to clients in this Form ADV. The fees charged for portfolio management services, together with fees paid to BRM Investment Management indirectly through the Funds, may be higher than the fees charged by other investment advisers for similar investment advisory services.

Clients may also independently invest in Fund shares through other financial services firms/broker- dealers.

In addition to diversifying clients' accounts with mutual funds and ETFs, on a limited basis, BRM Investment Management may provide advice on private equity investments, hedge funds and institutional grade investments for qualified investors. Alternative investments carry a higher degree of risk since they are not publicly traded and lack liquidity (more information below).

E. Risks Related to Alternative Investments / Private Funds

BRM Investment Management will utilize for certain clients alternative investments/private funds, i.e. funds and securities subject to a registration exemption under the federal securities laws. Investing in alternative investment/private funds is speculative, not suitable for all clients, and intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment. The risks for these investments include, but may not be limited to, the following:

- Loss of all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices;
- Lack of liquidity in that there may be no secondary market for the investment;
- Volatility of returns;
- Restrictions on transferring interests in the investment;
- Potential lack of diversification and resulting higher risk due to concertation of trading authority when a single adviser is utilized;
- Absence of information regarding valuations and pricing;
- Delays in tax reporting;
- Less regulation and higher fees than mutual funds and other securities subject to registration requirements; and
- Risk associated with the operations, personnel, and processes of the manager of the funds investing in the alternative investments or the issuer of the structured note.

F. Risks Related to Structured Notes

BRM Investment Management will utilize for certain clients structured notes. Structured notes are fixed income securities that are issued by financial institutions with returns that are linked to, or based on, among other things, equity indices, a single equity security, a basket of equity securities, interest rates, commodities, debt securities, exchange traded funds, and/or foreign currencies. The security, asset, or index on which a structured note is based is often called the "Reference Instrument". Structured notes have a fixed maturity date and include two components – a bond component and an embedded derivative. While some structured notes offer substantial protection of invested principal, others offer limited or no principal protection. The embedded derivatives within structured notes adjust the structured note's risk/return profile by including additional modifying structures that can increase potential returns. The return

performance of a structured note typically tracks the return profile of the underlying debt obligation and the derivative that is embedded within it. Instead of simply paying straight fixed or floating interest, structured notes can offer interest payments that are tailored to specific indices and/or rates. The derivative securities that are embedded in the structured note can also positively or negatively affect the redemption value and final maturity of the security.

Depending on complexity, risk profile, and numerous other factors, structured notes often pay interest or coupon rates that may be above the prevailing market rate. Many structured notes cap or limit the amount of upside participation in the Reference Instrument or underlying asset, particularly in cases where the structured note offers principal protection or pays interest that is above-market. Structured notes are typically issued by investment banks or their affiliates, and feature a fixed maturity date.

Structured notes are not suitable for all clients. All investors assume full credit risk of the security's issuer and/or guarantor. This means that a client may lose all the monies invested, including all initial amounts invested as principal protection may not apply, if the issuer and/or the guarantor become insolvent or fail in any way. The risks for these investments include, but may not be limited to, the following.

- Payment terms vary significantly for each structured note depending on the structure and component of the specific security. While some structured notes may pay interest prior to liquidation, others may include payments only upon maturity. Additionally, rates of return vary based on many factors, including the performance of the underlying securities, assets, indices, and/or commodities. [SEP]
- Unless a structured note is specifically stated to be 100% principal protected or FDIC insured, some or all of a client's invested principal may be at risk. The return of a client's principal is guaranteed only to the extent specified in the specific offering terms for the structured note purchased, and, is specifically subject to the credit and creditworthiness of the issuer and the underwriter. If there is a negative return on the underlying security or Reference Instrument, then a client may receive an amount that is less than the invested principal at maturity and a client could lose up to the percentage indicated in the client's initial investment terms. In some cases, a client may end up owning the underlying security at a price that is lower than the original purchase price.
- In cases where the return on the underlying securities is positive, payment may be limited if the structure includes a cap on the percentage return for the underlying security or depending on how the percentage increase for the underlying security is calculated as of the determination date.
- It may be difficult to sell or liquidate the structured note or underlying security as there may be little or no secondary market for such securities, and independent market pricing may be limited or unavailable and market values may vary based on a variety of factors affecting the underlying securities or assets. Such factors may include, among other things: time to maturity; appreciation or depreciation of underlying securities; market volatility; interest rate fluctuations; and other events that may positively or negatively affect the value of underlying securities, indices, or assets.

- The price a client will pay for a structured note at the time of issuance will often be higher than the fair market value of the structured note on the date of issuance. The issuance price of the structured note is typically higher than the estimated market value of the structured note because issuers include in the initial price the costs for selling, structuring, and/or hedging their exposure on the structured note.
- With the exception of exchange traded notes, structured notes are typically not listed on any national securities exchange and can be difficult to sell, trade, or liquidate, especially in any large quantity or within any limited period of time. Although some structured notes are listed on national securities exchanges, such securities are often thinly traded and difficult to sell, trade, or liquidate. As a result, the issuing financial institution's broker-dealer affiliate or the broker-dealer distributor of the structured note may be the only potential buyers for a client's structured note, and many issuers often specifically disclaim their intention to repurchase or make markets in the structured notes that they issue.
- Structured notes often have complicated payoff structures that make it difficult to accurately assess their value, risk, and growth potential over the term of the structured note. It can be complex to determine each structured note's performance as the payoff structures and features vary considerably among different notes. For example, the payoff on structured notes can depend on the following.
 - *Participation rates.* Many structured notes provide a minimum payoff of the invested principal plus an additional payoff amount to the investor. This is calculated by multiplying the increase in the Reference Instrument by a fixed percentage, which is often called the "participation rate". The participation rate determines how much of the increase in the Reference Instrument will be paid to a client holder of the structured note.
 - *Capped maximum returns.* Some structured notes provide payments that are linked to a Reference Instrument with a leveraged or enhanced participation rate, but the payoff amount is capped at a pre-set maximum payoff amount. This means that a client holder does not participate in any increase in the Reference Instrument above the maximum payoff level.
 - *Knock-in feature.* Structured notes often include a pre-specified threshold for the Reference Instrument that is called a knock-in feature (also known as a barrier or trigger) that affects the payout return on the structured note. If the Reference Instrument falls below a pre-specified level during the term of the structured note, a client could lose some or all of the client's principal investment at maturity. A client could also lose the coupon payments scheduled throughout the term of the structured note.
 - *Credit Rating.* While many structured notes, Reference Instruments, and underlying securities may be assigned a credit rating from a national rating organization, many structured notes and underlying securities have no credit rating. To the extent that a particular credit rating may pertain to the creditworthiness of the issuer, it is not necessarily indicative of the risk associated with a specific structured note or Reference Instrument, index, or asset. The presentation of a credit rating in

relation to any structured note or underlying security may not indicate or reflect the safety of the principal invested or the potential investment returns associated with the structured note. Such credit ratings may not affect or enhance the likely performance of the structured note investment.^[L]_[SEP]

- The structured note investment may be treated as a "contingent payment debt instrument" for U.S. federal income tax purposes. Consequently, even in cases where any accrued interest is not payable until maturity, client holders may be required to accrue such interest as ordinary income based on the "comparable yield" of the underlying securities as determined by the underwriter.

Item 9. Disciplinary Information

The Firm is required to disclose whether there are legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. BRM Investment Management and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

Item 10. Other Financial Industry Activities and Affiliations

A. Financial Industry Activities

BRM Investment Management is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of BRM Investment Management's management or supervised persons is registered as, or has applications pending to register as, a salesperson or agent of a broker-dealer.

B. Financial Industry Affiliations

BRM Investment Management is not a registered Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor and does not have an application pending to register as such. Furthermore, none of BRM Investment Management's management or supervised persons is registered as, or has applications pending to register as, an associated person of the foregoing entities.

C. Other Material Relationships

The principal owner and IARs of BRM Investment Management are also insurance agents licensed with the Ohio Department of Insurance. As licensed insurance agents, these IARs offer life, accident, health, variable and long term care insurance-related products to clients. When acting as insurance agents, each IAR earns commissions on insurance products sales. Such compensation is in addition to, and separate from the compensation they receive from the Firm for providing investment advice. Insurance products are available through channels not affiliated with the Firm. Clients have no obligation to purchase insurance products through the IARs.

D. Other Investment Advisers

Certain owners of BRM Investment Management also own and are registered with another, affiliated, Registered Investment Advisor. BRM Investment Management does use the services of the affiliated Advisor to manage certain client portfolios. It should be noted that the clients fee does not increase, nor are clients charged additional when using the services of the affiliated Advisor.

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

A. Code of Ethics

All employees of BRM Investment Management must act in an ethical and professional manner. In view of the foregoing and applicable provisions of relevant law, BRM Investment Management has determined to adopt a Code of Ethics to specify and prohibit certain types of transactions deemed to create conflicts of interest (or at least the potential for, or the appearance of, such a conflict), and to establish reporting requirements and enforcement procedures relating to personal trading by BRM Investment Management personnel.

BRM Investment Management's Code of Ethics (the "Code"), which specifically deals with professional standards, insider trading and fiduciary duties, establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. The Firm desires to comply with all applicable laws and regulations governing its practice, and the management of BRM Investment Management has determined to set forth guidelines for professional standards, under which all associated persons of BRM Investment Management are to conduct themselves. All associated persons are expected to adhere to these guidelines. In addition, BRM Investment Management maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by BRM Investment Management or any person associated with the Firm.

We will provide a copy of our Code of Ethics to any client or prospective client upon request.

B. Participation of Interest in Client Transactions

Subject to satisfying this policy and applicable laws, the officers, directors, and access persons of BRM Investment Management may trade for their own accounts in securities which are recommended to and/or purchased for our clients. The Code of Ethics is designed to assure that the personal securities transactions, outside business activities, and other relevant interests of our access persons 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 access persons 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 our 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 access

persons to invest in the same securities as clients, there is a possibility that access persons might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between BRM Investment Management and our clients. Clients or prospective clients may request a copy of the firm's Code of Ethics by contacting its Chief Compliance Officer.

C. Proprietary and Simultaneous Trading

The Firm may buy and sell securities for its own accounts that the Firm also recommends to clients. This presents a conflict of interest. To mitigate these conflicts the Code sets forth certain requirements regarding reporting and review of securities transactions by Firm personnel (referred to for purposes of the Code as "Access Persons"). These requirements include the following.

- The Firm requires quarterly reporting of all personal securities transactions with the exception of certain exempt transactions and securities (such as government securities, open end mutual funds and money market funds). Appropriate personnel of the Firm review this reporting to ensure that Access Person trading practices are in compliance with the requirements of the Code.
- Upon hire, and annually thereafter, All Access Persons are required to provide reporting detailing their personal securities holdings, with the exception of those types of securities referenced above.
- Access Persons may not participate in private placements and initial public offerings without pre-approval by the appropriate Firm personnel.

Item 12. Brokerage Practices

A. Selection and Recommendation

BRM Investment recommends to all clients that all client investment funds be held by a broker-dealer or custodian in investment accounts identified individually to the client and about which the client will receive regular statements from the broker-dealer or custodian. BRM Investment does not accept engagements with clients where client funds are pooled into an omnibus account. See Item 15.

Clients may open brokerage accounts or advisory accounts, or some combination of each type of account based on their individual needs. Dually registered persons may not be registered with a broker-dealer other than LPL Financial, and may not hold brokerage accounts away from LPL Financial. Dually registered persons may only custody accounts away from LPL Financial with permission from LPL Financial which may limit a client's choice of a broker-dealer or custodian.

A. In the event that the client requests that BRM Investment recommend a broker-dealer or custodian for execution and custodial services (exclusive of those clients that

may direct BRM Investment to use a specific broker-dealer or custodian), BRM Investment's representative may recommend that investment accounts be maintained at a broker-dealer or custodian with which that representative has experience. Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial agreement with each designated broker-dealer or custodian.

Factors that BRM Investment considers in recommending LPL Financial and/or PTC (or any other broker-dealer/custodian to clients) include historical relationship with BRM Investment, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and transaction fees paid by Registrant's clients shall comply with BRM Investment's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where BRM Investment determines, in good faith, that the commission and transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer or custodian are exclusive of, and in addition to, Registrant's investment management fee. BRM Investment's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close. Custodians may make various share classes of mutual funds available to BRM Investment and its clients. Even though multiple share classes are available from an investment product sponsor, a custodian may only make available a single share class or a limited number of share classes on its platform. BRM Investment will select for purchase only share classes that are no-load or load-waived share classes and therefore not subject to any upfront sales charge paid to the investment sponsor, but may be subject to a transaction fee paid to the custodian. Custodians may not choose to offer the least expensive share class that an investment product sponsor makes available, but instead may select a share class that pays the custodian compensation for the administrative and recordkeeping services that the custodian provides to the investment product sponsor. Other custodians and financial services firms may offer the same mutual fund at a lower overall cost to the investor than is available through BRM Investment or a particular custodian and the client should consider these factors in deciding between types of investments, types of investment products and types of investment accounts. In reviewing mutual fund share class holdings in existing portfolios, BRM Investment evaluates the transaction costs of switching between share classes and the investment horizon of the client to determine whether a client will benefit from a particular transaction.

If you would like a copy of the LPL Financial privacy policy, please visit www.lpl.com.

The final decision to custody assets with a particular broker-dealer is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. BRM Investment is independently owned and operated and not affiliated with any broker-dealers.

A. Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer or custodian, Registrant may receive from LPL Financial, without cost (and/or at a discount) support services and/or products, certain of which assist BRM Investment to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by BRM Investment may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management- related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/ or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and products that may be received may assist BRM Investment in managing and administering client accounts. Others do not directly provide such assistance, but rather assist BRM Investment to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected or assets maintained at LPL Financial or PTC as a result of this arrangement. There is no corresponding commitment made by BRM Investment to LPL Financial, PTC or any custodians to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

Custodians also make available to BRM Investment other products and services that benefit BRM Investment but may not benefit its clients' accounts. These benefits may include national, regional or Registrant-specific educational events organized and/or sponsored by the custodian. Other potential benefits may include occasional business entertainment of personnel of BRM Investment by the custodian, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other such products and services assist BRM Investment in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of BRM Investment's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some

substantial number of BRM Investment's accounts, including accounts not maintained at the particular custodian. The custodian also may make available to BRM Investment other services intended to help BRM Investment manage and further develop its business enterprise. These services may include professional, compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, custodians may make available, arrange and/or pay vendors for these types of services rendered to BRM Investment by independent third parties. The custodian may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to BRM Investment. BRM Investment's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to BRM Investment of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by the custodian, which may create a potential conflict of interest.

From time to time, certain representatives of BRM Investment or groups of those representatives may receive specific benefits from broker-dealers generally for those representatives to custody client assets with those broker-dealers at a time when those representatives are changing their affiliations. LPL Financial provides transition assistance payments in the form of forgivable and non-forgivable loans to certain representatives of BRM Investment who are also registered representatives of LPL Financial. All such transition assistance payments are made to those persons in their capacities as registered representatives of LPL Financial.

BRM Investment does not receive referrals from broker-dealers.

BRM Investment does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). BRM Investment's representatives who are also registered representatives of LPL Financial are not able to participate in brokerage arrangements away from LPL Financial. In addition, BRM Investment has determined to follow a policy of holding client assets in individual accounts that are identified to the client, instead of in an omnibus account in BRM Investment's name, to increase transparency and security for clients, but at the cost of reducing BRM Investment's capability and leverage to negotiate brokerage arrangements. In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better pricing from other broker-dealers or be able to "bunch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. In addition, custodizing client assets in individually identified accounts at specific custodians may limit the choice of investment products, such as classes of mutual funds that are available on that custodian's platform and may result in a client not being able to invest in particular investment products or paying higher transaction fees based on the products that are made available. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Please Note: In the event that the client

directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant. bunched transactions submitted to the recommended broker- dealer custodian.

C. Order Aggregation

The transactions for each client account generally will be affected independently, unless BRM Investment Management decides to purchase or sell the same securities for several clients at approximately the same time. BRM Investment Management may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among BRM Investment Management clients' differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. This practice may result in administrative convenience or an overall economic benefit to the client. Clients may also benefit relatively with better purchase or sale execution prices, lower commission expenses or beneficial timing of transactions or a combination of these and other factors. BRM Investment Management shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13. Review of Accounts

A. Periodic Reviews and Review Factors

IARs will monitor their respective client accounts on an ongoing basis and will conduct internal account reviews as determined necessary. Triggering factors that may stimulate additional reviews of a client's account include, but are not limited to, the following: changes in economic conditions, changes in the client's financial situation or investment objectives, and/or the client's request for an additional review of the account.

Intermittent reviews may be triggered by substantial market fluctuations, economic or political events, or by changes in a client's financial status (such as retirement, termination of employment, relocation, or inheritance). Clients are advised to notify BRM Investment Management promptly if there are any material changes to their financial situation, investment objectives, or in the event they wish to place restrictions on their account.

Clients are encouraged to notify BRM Investment Management if changes occur in his/her personal financial situation that might adversely affect his/her investment plan.

B. Client Reports

Clients will receive a report at least quarterly from the custodian, detailing account performance and account holdings. In addition, the client may receive other supporting

reports from mutual funds, asset managers, trust companies or custodians, insurance companies, broker-dealers and others who are involved with client accounts.

BRM Investment Management may supplement any such information, at its sole discretion. In its sole discretion, BRM Investment Management may also provide periodic written reports to clients in conjunction with account reviews.

Financial Planning and Consulting Services: BRM Investment Management will review a client's financial plan upon request. Otherwise, BRM Investment Management does not review or monitor a client's non-managed assets or review the client's financial plan.

Item 14. Client Referrals and Other Compensation

A. Economic Benefits for Client Referrals

The Firm does not receive and does not have any arrangement with third parties to receive economic benefits (such as sales awards or other prizes) for providing investment advice or other advisory services to its clients. As noted above, BRM Investment Management, may receive compensation for its Subscription Service, as described under Item 4 – Advisory Business. BRM Investment Management may also pay to be a partner on Subscription Service platforms. These payments may be paid as a periodic flat fee, or as a part of a revenue-sharing arrangement.

Item 15. Custody

A. Custodian of Assets

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them.

BRM Investment Management does not have direct custody of any client funds and/or securities. BRM Investment Management does not take physical custody of client funds and/or securities under any circumstances. Clients' funds and securities are held by an unaffiliated qualified custodian. Please refer to Item 12 for information regarding our Brokerage Practices. To the extent that BRM Investment Management has the ability to move money via Standing Letter of Authorization, or via access to Formidable Fund assets; BRM Investment Management has implemented written policies and procedures to ensure that it will be in compliance with the required requirements and applicable safeguards with respect to custody.

While BRM Investment Management does not have physical custody of client funds or securities, the custodian may pay BRM Investment Management's management fees through a deduction from the custodial brokerage account that holds client funds. Prior to permitting direct debit of fees, each client provides written authorization permitting fees to be paid direct from the custodian. As part of the billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

The custodian does not calculate the amount of the fee to be deducted and does not verify the accuracy of BRM Investment Management's advisory calculation. Therefore, **it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things.** Clients should contact BRM Investment Management directly if they believe that there may be an error in their statement.

B. Account Statements

Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian for the client accounts. The client will also receive monthly statements regarding the account directly from the broker-dealer/custodian. When you receive these statements, please review the statements carefully. **Please compare asset values, holdings, and fees to the account statement issued for the previous period.**

At its sole discretion, BRM Investment Management may send such other updates or periodic reports, as it deems appropriate, to clients.

Please Note: To the extent that BRM Investment Management may provide clients with periodic account statements or reports, the client is urged to compare any statement or report provided by BRM Investment Management with the account statements received from the account custodian.

Item 16. Investment Discretion

It is BRM Investment Management's customary procedure to have full discretionary authority in order to supervise and direct the investments of your accounts. You grant this authority upon execution of the IA Agreement. This authority is for the purpose of making and implementing investment decisions, without your prior consultation. The Firm seeks to make investment decisions in accordance with your stated investment objectives. You may inform the Firm, in writing, of restrictions that you would like to impose regarding investment strategies or types of securities transactions within your account(s).

The Firm's discretionary authority does not give authority to take or have possession of any assets in a client's account or to direct delivery of any securities or payment of any funds held in a client's account to the Firm.

Item 17. Voting Client Securities

Fiduciary obligations of prudence and loyalty require an investment adviser with proxy voting responsibility to vote proxies on issues that affect the value of the client's investment. Proxy voting decisions must be made solely in the best interests of the client's account. In voting proxies, our Firm is required to consider those factors that may affect the value of the client's investment and may not subordinate the interests of the client to unrelated objectives.

Depending upon its agreement with a client, BRM Investment Management may vote proxies that are solicited for securities held in your account. For those clients for which the Firm does not vote proxies, clients generally will receive their proxies or other solicitations directly from the custodian/broker-dealer for their account.

BRM Investment Management will not take nor be required to take any action or render any advice with respect to any securities held in any client's accounts that are named in or subject to class action lawsuits or other legal matters. Generally any such notices will be provided to a client by the custodian/broker-dealer for the client's account.

Should a material conflict arise between our Firm's interest and that of our clients', our Firm will vote the proxies in accordance with our fiduciary duty to our clients. A written record will be maintained describing the conflict of interest, and an explanation of how the vote taken was in the client's best interest. BRM Investment Management may refrain from voting a proxy if the cost of voting the proxy exceeds the expected benefit to the client.

Clients may request a copy of the Firm's proxy voting policy and further information as to how the Firm voted on any specific proxy issue by contacting the Firm's Chief Compliance Officer, Jason Wainscott, as provided on the cover page of this Brochure.

Item 18. Financial Information

A. Balance Sheet Requirement

BRM Investment Management is not the qualified custodian of client funds or securities, does not have custody of client funds or securities and does not require prepayment of fees of more than \$1,200 per client, six (6) months or more in advance.

B. Financial Condition

The Firm does not have any financial impairment that will preclude it from meeting contractual commitments to clients.

C. Bankruptcy Petition

Neither the Firm nor its management has been the subject of a bankruptcy petition at any time during the last 10 years.