

# **Kraematon Investment Advisors, Inc.**

## **Form ADV Part 2A – Disclosure Brochure**

**Effective: March 10, 2023**

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Kraematon Investment Advisors, Inc. (“KIA” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact the Advisor at (781) 431-9425 or by email at [gc@kraematonia.com](mailto:gc@kraematonia.com).

KIA is a registered investment advisor with U.S. Securities and Exchange Commission. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about KIA to assist you in determining whether to retain the Advisor.

Additional information about KIA and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 126869.

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## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of KIA. For convenience, the Advisor has combined these documents into a single disclosure document.

KIA believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide you with complete and accurate information at all times. KIA encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Changes

There have been no material changes made to this Disclosure Brochure since the last filing and distribution to Clients.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations, or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure online at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 126869. You may also request a copy of this Disclosure Brochure at any time by contacting the Advisor at (781) 431-9425 or by email at [gc@kraematonia.com](mailto:gc@kraematonia.com).

## Item 3 – Table of Contents

<b>Item 1 – Cover Page</b>	<b>1</b>
<b>Item 2 – Material Changes</b>	<b>2</b>
<b>Item 3 – Table of Contents</b>	<b>3</b>
<b>Item 4 – Advisory Services</b>	<b>4</b>
A. Firm Information	4
B. Advisory Services Offered	4
C. Client Account Management	5
D. Wrap Fee Programs	5
E. Assets Under Management	6
<b>Item 5 – Fees and Compensation</b>	<b>6</b>
A. Fees for Advisory Services	6
B. Fee Billing	6
C. Other Fees and Expenses	6
D. Advance Payment of Fees and Termination	7
E. Compensation for Sales of Securities	7
<b>Item 6 – Performance-Based Fees and Side-By-Side Management</b>	<b>7</b>
<b>Item 7 – Types of Clients</b>	<b>7</b>
<b>Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss</b>	<b>7</b>
A. Methods of Analysis	7
B. Risk of Loss	8
<b>Item 9 – Disciplinary Information</b>	<b>9</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations</b>	<b>9</b>
<b>Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading</b>	<b>9</b>
A. Code of Ethics	9
B. Personal Trading with Material Interest	9
C. Personal Trading in Same Securities as Clients	9
D. Personal Trading at Same Time as Client	9
<b>Item 12 – Brokerage Practices</b>	<b>10</b>
A. Recommendation of Custodian[s]	10
B. Aggregating and Allocating Trades	10
<b>Item 13 – Review of Accounts</b>	<b>11</b>
A. Frequency of Reviews	11
B. Causes for Reviews	11
C. Review Reports	11
<b>Item 14 – Client Referrals and Other Compensation</b>	<b>11</b>
A. Compensation Received by KIA	11
B. Compensation for Client Referrals	12
<b>Item 15 – Custody</b>	<b>12</b>
<b>Item 16 – Investment Discretion</b>	<b>12</b>
<b>Item 17 – Voting Client Securities</b>	<b>12</b>
<b>Item 18 – Financial Information</b>	<b>12</b>
<b>Form ADV Part 2B – Brochure Supplement</b>	<b>13</b>
<b>Privacy Policy</b>	<b>16</b>

## Item 4 – Advisory Services

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### A. Firm Information

Kraematon Investment Advisors, Inc. (“KIA” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission. KIA is organized as a Corporation under the laws of the Commonwealth of Massachusetts. KIA was founded in January 1997 and is owned and operated by Gregory Clinton (President and Chief Compliance Officer). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by KIA.

### B. Advisory Services Offered

KIA offers investment advisory services to individuals, high net worth individuals, trusts, estates, businesses, and charitable organizations (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness, and good faith towards each Client and seeks to mitigate potential conflicts of interest. KIA’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

#### Wealth Management Services

KIA provides wealth management services for its Clients. These services generally include a broad range of comprehensive financial planning in connection with the discretionary investment management of Client portfolios. These services are described below.

*Investment Management Services-* KIA provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and related advisory services. KIA works closely with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy. KIA will then construct an investment portfolio consisting of mutual funds and/or exchange-traded funds (“ETFs”) to achieve the Client’s investment goals. The Advisor may also utilize individual stocks to meet the needs of its Clients.

KIA selects, recommends, and/or retains mutual funds on a fund by fund basis and seeks to use non-retail or institutional classes when possible. Due to specific custodial or mutual fund company constraints, material tax consideration, and/or systematic investment plans, KIA may select, recommend, and/or retain a mutual fund share class that has a higher expense ratio than an equivalent share class. KIA will seek to select the lowest cost share class available that is in the best interest of each Client and will ensure the selection aligns with the Client’s financial objectives and state investment guidelines.

KIA’s investment approach is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held for less than one year to meet the objectives of the Client or due to market conditions. KIA will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

KIA evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. KIA may recommend, on occasion, redistributing investment allocations to diversify the portfolio. KIA may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. KIA may recommend selling positions for reasons that include but are not limited to harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, changes in risk tolerance of the Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

*Retirement Accounts* – When the Advisor provides investment advice to Clients regarding ERISA retirement accounts or individual retirement accounts (“IRAs”), the Advisor is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act (“ERISA”) and/or the Internal Revenue Code (“IRC”), as applicable,

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which are laws governing retirement accounts. When deemed to be in the Client's best interest, the Advisor will provide investment advice to a Client regarding a distribution from an ERISA retirement account or to roll over the assets to an IRA or recommend a similar transaction including rollovers from one ERISA sponsored Plan to another, one IRA to another IRA, or from one type of account to another account (e.g., commission-based account to fee-based account). Such a recommendation creates a conflict of interest if the Advisor earns a new (or increases its current) advisory fee as a result of the transaction. No client is under any obligation to roll over a retirement account to an account managed by the Advisor.

At no time will KIA accept or maintain custody of a Client's funds or securities, except for the limited authority as outlined in Item 15 - Custody. All Client assets will be managed within the designated account[s] at the Custodian, pursuant to the terms of the advisory agreement. Please see Item 12 – Brokerage Practices.

*Financial Planning Services-* KIA will typically provide a variety of financial planning and consulting services to Clients. Services are offered in several areas of a Client's financial situation, depending on their goals and objectives. Generally, such financial planning services involve preparing a formal financial plan or rendering a specific financial consultation based on the Client's financial goals and objectives. This planning or consulting may encompass one or more areas of need, including but not limited to investment planning, retirement planning, personal savings, education savings, and other areas of a Client's financial situation.

A financial plan developed for, or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings, and/or charitable giving programs.

KIA may also refer Clients to an accountant, attorney, or other specialists, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of the Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six (6) months of the contract date, assuming all information and documents requested are provided promptly.

Financial planning and consulting recommendations pose a conflict between the interests of the Advisor and the interests of the Client. For example, the Advisor has an incentive to recommend that Clients increase the level of investment assets with the Advisor, as it would increase the amount of advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

### **C. Client Account Management**

Prior to engaging KIA to provide investment advisory services, each Client is required to enter into an agreement with the Advisor that defines the terms, conditions, authority, and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – KIA, in connection with the Client, will develop a strategy that seeks to achieve the Client's goals and objectives.
- Asset Allocation – KIA will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation, and tolerance for risk for each Client.
- Portfolio Construction – KIA will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – KIA will provide investment management and ongoing oversight of the Client's investment portfolio.

### **D. Wrap Fee Programs**

KIA does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by KIA.

## E. Assets Under Management

As of December 31, 2022, KIA manages \$156,876,741 in Client assets, all of which are managed on a discretionary basis. Clients may request more current information at any time by contacting the Advisor.

## Item 5 – Fees and Compensation

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into a written agreement with the Advisor.

### A. Fees for Advisory Services

#### Wealth Management Services

Wealth Management fees are paid quarterly, at the end of each calendar quarter, pursuant to the terms of the wealth management agreement. Wealth management fees are based on the market value of assets under management at the end of the calendar quarter. Investment advisory fees are based on the following schedule:

Assets Under Management (\$)	Annual Rate (%)
\$0 to \$1,000,000	1.00%
\$1,000,000 to \$2,000,000	0.75%
Greater than \$2,000,000	0.50%

The wealth management fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Fees are negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by KIA will be independently valued by the Custodian. KIA will conduct periodic reviews of the Custodian's valuations. Any assets deposited into or withdrawn from the Client's account[s], the Advisor's fee will be adjusted in the billing period to reflect the fee difference.

The Advisor's fee is exclusive of, and in addition to any applicable securities transaction and custody fees, and other related costs and expenses described in Item 5.C. below, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs.

### B. Fee Billing

#### Wealth Management Services

Wealth management fees are calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective quarter end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 365 then multiplied by the number of days in the quarter) to the total assets under management with KIA at the end of each calendar quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting the deduction of the wealth management fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting advisory fees to be deducted by KIA to be paid directly from their account[s] held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

### C. Other Fees and Expenses

As mentioned in Item 4.B. above, the Client may be invested into share classes of mutual funds that have a higher expense ratio than a different share class. This may result in Clients paying higher expense ratio[s]. For a complete discussion of expenses related to each mutual fund, please read a copy of the prospectus issued by that particular fund.

Clients may incur certain fees or charges imposed by third parties other than KIA in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian, as applicable. The Advisor's recommended Custodian does not charge securities transaction fees for ETF and equity trades in a Client's account, provided that the account meets the terms and

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conditions of the Custodian's brokerage requirements. However, the Custodian typically charges for mutual funds and other types of investments. The fees charged by KIA are separate and distinct from these custody and execution fees.

In addition, all fees paid to KIA for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage, and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of KIA, but would not receive the services provided by KIA, which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by KIA to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

#### **D. Advance Payment of Fees and Termination**

##### Wealth Management Services

KIA may be compensated for its wealth management services at the end of the quarter after services are rendered. Either party may terminate the wealth management agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the wealth management agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination, and such fees will be due and payable by the Client. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior consent.

#### **E. Compensation for Sales of Securities**

KIA does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account other than the investment advisory fees noted above.

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

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KIA does not charge performance-based fees for its investment advisory services. The fees charged by KIA are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client. KIA does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

#### **Item 7 – Types of Clients**

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KIA offers investment advisory services to individuals, high net worth individuals, trusts, estates, businesses, and charitable. The amount of each type of Client is available on KIA's Form ADV Part 1A. These amounts may change over time and are updated at least annually by the Advisor. KIA generally requires a minimum account size of \$100,000 to effectively implement its investment process.

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

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##### **A. Methods of Analysis**

KIA primarily employs a fundamental analysis in developing investment strategies for its Clients. Research and analysis from KIA are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases, and research prepared by others.

*Fundamental analysis* utilizes economic and business indicators as investment selection criteria. This criteria consists generally of ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a

potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

As noted above, KIA generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. KIA will typically hold all or a portion of a security for more than a year but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, KIA may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector, or asset class.

## **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. KIA will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk, and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals, or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with certain components of the Advisor's investment approach:

### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs have a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily; therefore, a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

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**Past performance is not a guarantee of future returns. Investing in securities and other investments involves a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

## **Item 9 – Disciplinary Information**

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**There are no legal, regulatory, or disciplinary events involving KIA or its owner.** KIA values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider that the Client engages. The backgrounds of the Advisor and its Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 126869.

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

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The sole business of KIA and Mr. Clinton is to provide investment advisory services to its Clients. Neither KIA nor Mr. Clinton is involved in other business endeavors. KIA does not maintain any affiliations with other firms other than contracted service providers to assist with the servicing of its Client's accounts.

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

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### **A. Code of Ethics**

KIA has implemented a Code of Ethics (the "Code") that defines the Advisor's fiduciary commitment to each Client. This Code applies to all persons associated with KIA ("Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding the Advisor's duties to the Client. KIA and its Supervised Persons owe a duty of loyalty, fairness, and good faith towards each Client. It is the obligation of KIA's Supervised Persons to adhere not only to the specific provisions of the Code but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of the Code, please contact the Advisor at (781) 431-9425 or via email at [gc@kraematonia.com](mailto:gc@kraematonia.com).

### **B. Personal Trading with Material Interest**

KIA allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. KIA does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund or advise an investment company. KIA does not have a material interest in any securities traded in Client accounts.

### **C. Personal Trading in Same Securities as Clients**

KIA allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must be disclosed and mitigated through policies and procedures. As noted above, the Advisor has adopted the Code to address insider trading (material non-public information controls), gifts and entertainment, outside business activities, and personal securities reporting. When trading for personal accounts, Supervised Persons have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades or by trading based on material non-public information. This risk is mitigated by KIA requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. The Advisor also adopted written policies and procedures to detect the misuse of material, non-public information.

### **D. Personal Trading at Same Time as Client**

While KIA allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterward. **At no time will KIA, or any Supervised Person of KIA, transact in any security to the detriment of any Client.**

## Item 12 – Brokerage Practices

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### A. Recommendation of Custodian[s]

KIA does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize KIA to direct trades to the Custodian as agreed upon in the investment advisory agreement. Further, KIA does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

KIA will generally recommend that Clients establish their account[s] at Fidelity Clearing and Custody Solutions and related divisions and entities of Fidelity Investments, Inc., including National Financial Services, LLC and Fidelity Brokerage Services, LLC (collectively "Fidelity"), a FINRA-registered broker-dealer and member SIPC. Fidelity will serve as the Client's "qualified custodian." KIA maintains an institutional relationship with Fidelity, whereby the Advisor receives economic benefits from Fidelity.

KIA has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s]. Access to the Fidelity platform is provided at no charge to the Advisor. The Fidelity platform includes brokerage, custody, administrative support, record keeping, technology, and related services designed to support registered investment advisors like KIA in serving Clients. These services are intended to serve the best interests of the Advisor's Clients.

Fidelity may charge brokerage commissions (securities transaction fees) for effecting certain securities transactions. Fidelity enables the Advisor to obtain certain no-load mutual funds without securities transaction fees and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. Please see Item 14 below for additional information.

Following are additional details regarding the brokerage practices of the Advisor:

1. **Soft Dollars** – Soft Dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with the broker-dealer/custodian in exchange for research and other services. KIA does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor receives certain economic benefits from the Custodian. Please see Item 14 below.
2. **Brokerage Referrals** – KIA does not receive any compensation from any third party in connection with the recommendation for establishing an account.
3. **Directed Brokerage** – All Clients are serviced on a "directed brokerage basis," where KIA will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective brokerage account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). KIA will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

### B. Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of the order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. KIA will execute its transactions through the Custodian as authorized by the Client. KIA may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts on the same trading day. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the

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close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Client accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by Gregory Clinton, CCO of KIA. Formal reviews are generally conducted at least annually or more frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify KIA if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions, and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by KIA**

KIA is a fee-based advisory firm that is compensated solely by its Clients and not from any investment product. KIA does not receive commissions or other compensation from product sponsors, broker-dealers, or any unrelated third party. KIA may refer Clients to various unaffiliated, non-advisory professionals (e.g., attorneys, accountants, estate planners) to provide certain financial services necessary to meet the goals of its Clients. Likewise, KIA may receive non-compensated referrals of new Clients from various third parties.

#### Participation in Institutional Advisor Platform

As noted in item 12, KIA has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s].

As part of the arrangement, Fidelity also makes available to the Advisor, at no additional charge to the Advisor, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies. The Advisor may also receive additional services and support from Fidelity. As a result of receiving such services for no additional cost, the Advisor may have an incentive to continue to use or expand the use of Fidelity's services. The Advisor examined this potential conflict of interest when it chose to enter into the relationship with Fidelity and has determined that the relationship is in the best interests of the Advisor's Clients and satisfies its Client obligations, including its duty to seek best execution. Please see Item 12 above.

The Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Fidelity. The software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a Custodian creates a conflict of interest since these benefits may influence the Advisor's recommendation of this Custodian over one that does not furnish similar software, systems support, or services. In addition, Fidelity has provided the Advisor with financial support in the launch of the Advisor and reimbursements for various third-party service providers.

## **B. Compensation for Client Referrals**

KIA does not compensate, either directly or indirectly, any persons who are not supervised persons, for Client referrals.

### **Item 15 – Custody**

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KIA does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fees. All Clients must place their assets with a "qualified custodian." Clients are required to engage the Custodian to retain their funds and securities and direct KIA to utilize that Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare them to any reports provided by KIA to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

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

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KIA generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by KIA. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by KIA will be in accordance with each Client's investment objectives and goals.

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

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KIA does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies; however, the Client retains the sole responsibility for proxy decisions and voting.

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

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Neither KIA nor its management has any adverse financial situations that would reasonably impair the ability of KIA to meet all obligations to its Clients. Neither KIA nor any of its Advisory Persons have been subject to a bankruptcy or financial compromise. KIA is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.

# **Form ADV Part 2B – Brochure Supplement**

## **for**

**Gregory T. Clinton, CFA®**  
**President and Chief Compliance Officer**

**Effective: March 10, 2023**

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of Gregory T. Clinton, CFA®, (CRD# 2616485) in addition to the information contained in the Kraematon Investment Advisors, Inc. (“KIA” or the “Advisor,” CRD# 126869) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the KIA Disclosure Brochure or this Brochure Supplement, please contact the Advisor at (781) 431-9425 or by email at [gc@kraematon.com](mailto:gc@kraematon.com).

Additional information about Mr. Clinton is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or individual CRD# 2616485.

## Item 2 – Educational Background and Business Experience

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Gregory T. Clinton, CFA®, born in 1967, is dedicated to advising Clients of KIA as the President and Chief Compliance Officer. Mr. Clinton earned a Master's of Science degree in Financial Management from Fairfield University in 1992. Mr. Clinton also earned a Bachelor of Science degree in Finance from Bentley University in 1989. Additional information regarding Mr. Clinton's employment history is included below.

### Employment History:

President and Chief Compliance Officer, Kraematon Investment Advisors, Inc.	01/2002 to Present
Investment Advisor Representative, Polaris Advisors, LLC	09/2018 to 01/2020
Registered Representative, Donegal Securities, Inc.	07/2004 to 09/2018

### Chartered Financial Analyst™ ("CFA®")

The Chartered Financial Analyst™ ("CFA®") charter is a professional designation established in 1962 and awarded by CFA® Institute. To earn the CFA® charter, candidates must pass three sequential, six-hour examinations over two to four years. The three levels of the CFA® Program test a wide range of investment topics, including ethical and professional standards, fixed-income analysis, alternative and derivative investments, and portfolio management and wealth planning. In addition, CFA® charter holders must have at least four (4) years of acceptable professional experience in the investment decision-making process and must commit to abide by and annually reaffirm their adherence to the CFA® Institute Code of Ethics and Standards of Professional Conduct. CFA® is a trademark owned by CFA® Institute.

## Item 3 – Disciplinary Information

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***There are no legal, civil, or disciplinary events to disclose regarding Mr. Clinton.*** Mr. Clinton has never been involved in any regulatory, civil, or criminal action. There have been no client complaints, lawsuits, arbitration claims, or administrative proceedings against Mr. Clinton.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil, or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair, or unethical practices. ***As previously noted, there are no legal, civil, or disciplinary events to disclose regarding Mr. Clinton.***

However, the Advisor encourages you to independently view the background of Mr. Clinton on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or individual CRD# 2616485.

## Item 4 – Other Business Activities

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Mr. Clinton is dedicated to the investment advisory activities of KIA's Clients. Mr. Clinton does not have any other business activities.

## Item 5 – Additional Compensation

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Mr. Clinton is dedicated to the investment advisory activities of KIA's Clients. Mr. Clinton does not receive any additional forms of compensation.

## Item 6 – Supervision

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Mr. Clinton serves as the President and Chief Compliance Officer of KIA and is supervised by Gregory Clinton, the Chief Compliance Officer. Mr. Clinton can be reached at (781) 431-9425.

KIA has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of KIA. Further, KIA is subject to regulatory oversight by various agencies. These agencies require registration by KIA and its Supervised Persons. As a registered entity, KIA is subject to examinations by regulators, which may be announced or unannounced. KIA is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.

## Privacy Policy

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Effective: March 10, 2023

### Our Commitment to You

Kraematon Investment Advisors, Inc. ("KIA" or the "Advisor") is committed to safeguarding the use of personal information of our Clients (also referred to as "you" and "your") that we obtain as your Investment Advisor, as described here in our Privacy Policy ("Policy").

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. KIA (also referred to as "we," "our," and "us") protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

KIA does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors ("RIAs") must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Driver's license number	Date of birth
Social security or taxpayer identification number	Assets and liabilities
Name, address, and phone number[s]	Income and expenses
Email address[es]	Investment activity
Account information (including other institutions)	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage, and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use, we maintain physical, procedural, and electronic security measures. These include such safeguards as secure passwords, encrypted file storage, and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Clients' personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.



## How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed-upon services to you, consistent with applicable law, including but not limited to processing transactions; general account maintenance; responding to regulators, or legal investigations; and credit reporting.	Yes	No
<b>Marketing Purposes</b> KIA does not disclose and does not intend to disclose personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where KIA or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b>	No	Not Shared
<b>Authorized Users</b> Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent(s) or representative(s).	Yes	Yes
<b>Information About Former Clients</b> KIA does not disclose and does not intend to disclose non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

## State-specific Regulations

<b>Massachusetts</b>	In response to Massachusetts law, the Client must “opt-in” to share non-public personal information with non-affiliated third parties before any personal information is disclosed. Client opt-in is obtained through the Client’s execution of authorization forms provided by the third parties, by executing an Information Sharing Authorization Form, or by other written consent by the Client, as appropriate and consistent with applicable laws and regulations.
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## Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy and will provide you with a revised Policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

## Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (781) 431-9425 or via email at [gc@kraematonia.com](mailto:gc@kraematonia.com).