

# Reagan Companies Asset Management, Inc

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Reagan Companies Asset Management, Inc. If you have any questions about the contents of this brochure, please contact us at (315) 673-2094 or by email at: [Lisa@Reaganinvesting.com](mailto:Lisa@Reaganinvesting.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Reagan Companies Asset Management, Inc is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Reagan Companies Asset Management, Inc's CRD number is: 161648.*

P.O. Box 193  
8 E Main Street Marcellus, New York, 13108  
Ph. (315) 673-2094  
Fax (315) 673-1121  
[Lisa@Reaganinvesting.com](mailto:Lisa@Reaganinvesting.com)  
[www.ReaganInvesting.com](http://www.ReaganInvesting.com)

*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

The material changes in this brochure from the last annual updating amendment on 03/27/2024 of Reagan Companies Asset Management, Inc are described below. Material changes relate to Reagan Companies Asset Management, Inc's policies, practices or conflicts of interests.

- Reagan Companies Asset Management, Inc has updated their assets under management (Item 4E).

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## Item 4: Advisory Business

### A. Description of the Advisory Firm

Reagan Companies Asset Management, Inc is a corporation organized in the state of New York.

This firm was formed in March of 2012, and the principal owner and president is Richard P. Reagan.

### B. Types of Advisory Services

Reagan Companies Asset Management, Inc (hereinafter "RCAM") offers the following services to advisory clients:

#### Investment Supervisory Services

RCAM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. RCAM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

RCAM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. RCAM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### Financial Planning

When creating a financial plan RCAM generally follows the following CFP financial planning process:

1. Agree on how to work together
2. Gather information about your finances and set goals
3. Analyze and strategize
4. Develop recommendations
5. Put plan into motion
6. Monitor progress and stay on track

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance, tax concerns, retirement planning, college planning, and debt/credit planning. These services may be included within the Investment Supervisory Services offered above. At the option of the advisor, financial planning may be available separately for fixed fees or hourly fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

**Pension, Profit Sharing, & Retirement Plan Consulting Services**

RCAM provides consulting services to other employee benefit plans (including but not limited to 401(k) plans, and/or pooled profit-sharing plans).

Some of these services consist of 3(38) fiduciary services such as platform investment options, ongoing investment monitoring, participant education and enrollment services.

These services are based on the goals, objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants.

**Services Limited to Specific Types of Investments**

RCAM generally limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, ETFs, REITs, and government securities. RCAM may use other securities as well to help diversify a portfolio when applicable.

**Educational Seminars and Workshops**

RCAM provides educational seminars and workshops on market updates to all clients.

**C. Client Tailored Services and Client Imposed Restrictions**

RCAM offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent RCAM from properly servicing the client account, or if the restrictions would require RCAM to deviate from its standard suite of services, RCAM reserves the right to end the relationship.

**D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. RCAM DOES NOT participate in any wrap fee programs.

**D. Amounts Under Management**

RCAM has the following assets under management:

| Discretionary Amounts: | Non-Discretionary Amounts: | Date Calculated: |
|------------------------|----------------------------|------------------|
| \$ 992,298,797         | \$ 0.00                    | December 2024    |

## Item 5: Fees and Compensation

### A. Fee Schedule

#### Investment Supervisory Services Fees

| Total Assets Under Management | Annual Fee |
|-------------------------------|------------|
| First \$1 - \$2,000,000       | 1.00%      |
| Next \$2,000,000              | 0.75%      |
| Everything Over \$4,000,000   | 0.50%      |

These fees are negotiable depending upon the needs of the client and complexity of the situation and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are calculated using the value of the account on the last business day of the previous quarter and are calculated by dividing the annual fee percentage by 4 (4 quarters) and are paid quarterly and initial fees for new accounts will be calculated on a pro-rata basis.

Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing this advisory contract. After that point, this agreement may be terminated for any reason by any party with thirty days' written notice of such termination by the parties.

Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Fees that are collected in advance will be refunded based on the prorated amount of work completed up to the day of termination within the quarter terminated. The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination month).

Advisory fees are withdrawn directly from the client's accounts with client written authorization. The IA will review and evaluate, on a case by case basis, requests from clients to receive an invoice and pay their fee directly rather than from their accounts.

#### Financial Planning Fees

##### Fixed Fees

The rate for creating client financial plans is \$1,500. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

##### Hourly Fees

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is between \$150 and \$500. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in arrears upon

completion. Because fees are charged in arrears, no refund is necessary. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

#### *Pension Consulting Fees*

Each plan is individually priced based on the complexity of the services provided to the plan.

#### *Educational Seminar and Workshop Fees*

RCAM does not charge for the educational seminars and workshops they offer.

### **B. Payment of Fees**

#### *Payment of Investment Supervisory Fees*

Advisory fees are withdrawn directly from the client's accounts with client written authorization. The timing of which fees are paid is dependent on the custodian which the clients account is held. Fees will be paid quarterly in arrears or in advance. Advisory fees may also be invoiced and billed directly to the client with payments due by the first business day of the quarter. Clients may select the method in which they are billed.

For some clients that are plan sponsors or participants in a 401(k) plan, fees may be billed monthly based on the market value of the account at the time of that month's billing. The actual scheduled day of billing will vary depending on the custodian chosen, but will take place around the same time each month.

#### *Payment of Financial Planning Fees*

Hourly Financial Planning fees are paid via check in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

Fixed Financial Planning fees are paid via check in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

At the option of the advisor, financial planning fees may be waived and considered part of the investment advisory services provided.

#### *Payment of Pension Consulting Fees*

Fees are either charged directly to the plan or billed separately based on the plan documents. Billed in advance either monthly or quarterly as negotiated with the plan sponsor. For some clients that are plan sponsors or participants in a 401(k) plan, fees may be billed monthly based on the market value of the account at the time of that month's billing, either charged directly to the plan or billed separately based on the plan documents. The actual scheduled day of billing may vary depending on the custodian chosen and other plan specifics, but will take place around the same time each month.

#### *Payment of Educational Seminars and Workshop Fees*

There is no charge for the educational seminar and workshops that RCAM offer.

### **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by RCAM. Please see Item 12 of this brochure regarding broker/custodian.

### **D. Prepayment of Fees**

RCAM collects fees in advance and in arrears. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing this advisory contract.

The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the month/quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the monthly/quarterly AUM fee by the number of days in the termination month/quarter). Any unearned fees will be returned to the client.

In the case of a full cash distribution of an account, client(s) will need to verify their identity through our Security Policy. For recordkeeping reasons we will send a termination notice to the client along with their refunded fees and request that the client sign it and return it to us.

### **E. Outside Compensation For the Sale of Securities to Clients**

IARs do not accept compensation for the sale of securities to RCAM clients.

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

RCAM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

RCAM generally provides investment advice and/or management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pension, Profit Sharing, and 401k Plans
- ❖ Retirement Plans

### **Minimum Account Size**

There is an account minimum, \$250,000, there is a plan minimum of \$1,000,000 for corporate 401(k) plans. Account minimums may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.



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

### A. Methods of Analysis and Investment Strategies

#### Methods of Analysis

RCAM's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

**Charting analysis** involves the use of patterns in performance charts. RCAM uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

**Cyclical analysis** involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

#### Investment Strategies

RCAM uses long term trading and short term trading strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### B. Material Risks Involved

#### Methods of Analysis

**Charting analysis** strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two- fold: 1) the markets do

not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

### Investment Strategies

**Long term trading** is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Short term trading** generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **C. Risks of Specific Securities Utilized**

RCAM generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss. Mutual funds are not guaranteed or insured by the FDIC or any other government agency. You can lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond “fixed income” nature (lower risk) or stock “equity” nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Stocks & Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Precious Metal ETFs (Gold, Silver, Palladium Bullion backed “electronic shares” not physical metal):** Investing in precious metal ETFs carries the risk of capital loss.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks

include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Short term trading** risks include liquidity, economic stability and inflation.

**Short sales** risks include the upward trend of the market and the infinite possibility of loss.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither RCAM nor its representatives are registered as or with a Broker/Dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither RCAM nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither RCAM nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

#### **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

RCAM does not utilize nor select other advisers or third party managers. All assets are managed by RCAM management.

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

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

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

#### **B. Recommendations Involving Material Financial Interests**

RCAM does not recommend that clients buy or sell any security in which a related person to RCAM or RCAM has a material financial interest.

#### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of RCAM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of RCAM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. RCAM will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

#### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of RCAM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of RCAM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients.

Such transactions may create a conflict of interest. RCAM will always transact client's transactions before its own when similar securities are being bought or sold.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

The Custodian, Hand Benefit and Trust, was selected based on the transaction fees relative to other custodians and access to mutual funds and ETFs. Additional factors used to choose the Custodian are, the Custodian's support services, reputation and cost-benefit compared to other custodians. A robust trading platform is another consideration in selecting a custodian. RCAM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

The Custodian, Charles Schwab & Co., Inc. Advisor Services was chosen primarily based on its relatively low transaction fees, strength of trading platform, access to mutual funds and ETFs, support services, and reputation. RCAM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

The Custodian, MG Trust/Aspire Retirement Solutions, was chosen primarily based on their availability within public school districts, expertise in the 403b market, relatively low transaction fees, strength of trading platform, access to mutual funds and ETFs, support services, and reputation. RCAM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

The Custodian, ADP Broker-Dealer, Inc. and ADP, LLC were selected based on their available technology and services for employers that already use APD payroll services, also their transaction fees relative to other Custodians, and access to mutual funds and ETFs. Additional factors used to choose the Custodian are, the Custodian's support services, reputation and cost-benefit compared to other custodians. A robust trading platform is another consideration in selecting a custodian. RCAM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

#### **1. Research and Other Soft-Dollar Benefits**

RCAM receives research, products, or services other from another third-party in connection with client securities transactions ("soft dollar benefits"). There is no minimum client number or dollar number that RCAM must meet in order to receive free research from the custodian. RCAM receives a benefit because it does not have to pay for or produce the research, services, or products and therefore RCAM might have an incentive to recommend a custodian based on its interest rather than their clients. The first consideration when recommending a custodian to clients is best execution.

#### **2. Brokerage for Client Referrals**

RCAM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### **3. Clients Directing Which Broker/Dealer/Custodian to Use**

RCAM will not allow clients to direct RCAM to use a specific broker-dealer to execute transactions. Clients must use RCAM recommended custodian (broker-dealer). Not all advisors require clients to direct brokerage via a specific broker-dealer.

#### **B. Aggregating (Block) Trading for Multiple Client Accounts**

RCAM maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing RCAM the ability to purchase larger blocks which may result in smaller transaction costs to the client. Our trading practice may not always lead to block trading; however, we feel that clients are not at a disadvantage due to the best execution practice of our custodian.

## **Item 13: Reviews of Accounts**

#### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed periodically by RCAM's Investment Advisor Representatives. The chief advisors are instructed to review clients' accounts with regard to their investment policies and risk tolerance levels. All accounts at RCAM are assigned to these reviewers.

All Financial planning accounts are reviewed upon financial plan creation and plan delivery by the Investment Advisor Representative. There is only one level of review and that is the total review conducted to create the financial plan.

#### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

#### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least quarterly from the custodian, either by regular mail, e-mail, or a client accessible website, a report that details the client's account including assets held and asset value which will come from the custodian. RCAM provides clients reports generated through Morningstar. These reports are provided at the time of the client's annual renewal and will be provided during the interim upon client request.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Charles Schwab & Co., Inc. Advisor Services provides RCAM with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For RCAM client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to RCAM other products and services that benefit RCAM but may not benefit its clients' accounts. These benefits may include national, regional or RCAM specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of RCAM by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist RCAM 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, if applicable), provide research, pricing information and other market data, facilitate payment of RCAM's fees from its clients' accounts (if applicable), 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 RCAM's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to RCAM other services intended to help RCAM 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, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to RCAM by independent third parties. Charles Schwab & Co., Inc. Advisor Services 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 RCAM. RCAM is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.



## **B. Compensation to Non – Advisory Personnel for Client Referrals**

RCAM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

RCAM, with client written authority, has limited custody of client's assets through direct fee deduction of RCAM's Fees only. Clients will receive from the custodian all required account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. RCAM does not provide account statements to clients in addition to those provided by the custodian.

### **Item 16: Investment Discretion**

For those client accounts where RCAM provides ongoing supervision, the client has given RCAM written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. Discretionary authority is executed by agreement through the custodian account application and the investment advisory contract. The client provides RCAM discretionary authority via a limited power of attorney in the Investment Advisory Contract and executing limited power of attorney in the contract between the client and the custodian.

### **Item 17: Voting Client Securities (Proxy Voting)**

RCAM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

### **Item 18: Financial Information**

#### **A. Balance Sheet**

RCAM does not require nor solicit prepayment of more than \$1200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

#### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither RCAM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.



### **C. Bankruptcy Petitions in Previous Ten Years**

RCAM has not been the subject of a bankruptcy petition.